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DARWINISM AND MODERN SOCIALISM

BY THE SAME AUTHOR

THE STRUCTURE AND LIFE OF BIRDS

PROBLEMS OF EVOLUTION

LIFE AND EVOLUTION

DARWINISM AND MODERN SOCIALISM



F. W. HEADLEY, F.Z.S.

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PREFACE

A PAPER entitled *Neo-Darwinism and Modern Social Questions*, which I read at a meeting of the Fabian Society in 1903, forms the nucleus of this book. The Society was kind enough to give a hearing to an uncompromising anti-socialist who held (and holds) that the continuance of competition and Natural Selection is essential to the well-being of a civilised community. In my paper I showed that it is very difficult for a follower of Darwin and Weismann to be a socialist, and that the limited collectivism of the communal village had proved a sound working system only because it did not interfere with the struggle for existence and Natural Selection. The debate after the paper impressed upon me, what I hardly required to be taught, that it is of little use to argue with the full-blown socialist of the militant type. But it may not be a waste of time if I try to make it clear to the waverer and to that very important person, the general reader, that, whereas in primitive communities under very different conditions from those which now obtain, a semi-socialistic system was a possibility and indeed the only possibility, modern socialism, conflicting, as it does, with ineradicable

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vi DARWINISM AND MODERN SOCIALISM

human instincts, can only thrive as a theory. When an attempt is made to put its fundamental doctrines into practice, it turns out that its proper home is Utopia.

But since almost every man is an individualist until an oppressive environment sways him from his natural bias, the vigorous life of socialism as a theory requires accounting for, and the explanation I find, to a great extent, in the defects of our existing economic system. It cannot, in my opinion, be denied that capitalism through its present developments hampers the freedom of many who have no share in the vast accumulation of wealth. We must, therefore, combat socialism by trying to make our individualistic system work better and more freely. It must be our aim that none who have fairly good natural powers should be condemned to be mere spectators, while others compete for prizes. Equality of opportunity is altogether chimerical, but it ought to be possible for any man, however poor, if he has any grit in him, to plant his foot on the bottom rung of the ladder—after that let him climb higher if he can. If the social organism were in this respect more healthy, if its circulation were more vigorous, if—to drop metaphor—life offered fair chances to all, then socialism, so far from being a danger, would die a natural death.

I have to thank many friends for helping me : Mr. J. G. Croslegh, Mr. R. C. Gibson, my brother Mr. E. M. Headley, Mr. F. Podmore, Mr. S. G. Roberts, I.C.S., and Mr. J. A. Tregelles, for obtaining for me

PREFACE

vii .

information on various points ; Mr. O. L. V. de Wesselow, for reading much of the book in manuscript, and criticising frankly ; Mr. H. C. Gordon, for reading the proofs from end to end ; Mr. A. F. Hoare, for discussing with me most of the economic questions with which I have tried to deal.

F. W. H.

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CONTENTS

PART I.—INTRODUCTORY

CHAPTER I

	PAGE
SOCIETIES ANIMAL AND HUMAN	1

The struggle for existence—Associations among animals
—Evidence of the struggle for existence—The
struggle for existence among men—Individualism
—Trade-unionism and socialism—Definitions—
Socialism and the struggle for existence

PART II.—SOCIALISM IN THE PAST

CHAPTER II

THE FAMILY	19
----------------------	----

Its physiological basis—Polygamy—The family becomes
a religious institution—The patriarchal family—
Ancestor worship—Chastity—Evolution of the
family—The joint undivided family

x DARWINISM AND MODERN SOCIALISM

CHAPTER III

	PAGE
THE VILLAGE COMMUNITY IN INDIA	35
Origin of the communal village—Caste—The ownership of land—Wills and bequests—Thrift—Village life—The cause of the persistence of village communities—Life within the village—Decay of village communities—A successful arbitrator—Darwinian principles at work	

CHAPTER IV

THE RUSSIAN MIR	56
The leaven of competition—The man of enterprise in a village community—Then and now	

CHAPTER V

THE VILLAGE COMMUNITY IN ENGLAND	
Pre-Aryan communities—Chippenham—The manor—Stagnation—The German communal village—Life in an English manor village—Origin and long life of the manor—Gradual disappearance of serfdom—Survival of clan feuds—The cause of the decay of the manor	

PART III.—THE GROWTH OF INDIVIDUALISM

CHAPTER VI

THE BLACK DEATH AND ITS CONSEQUENCES	86
The mortality—Economic changes—The Statute of Labourers—Wat Tyler—Birth of the competitive system	

CONTENTS

xi

CHAPTER VII

	PAGE
THE TUDOR PERIOD	95
The bright and the seamy sides—Sheep—Legislation— Sturdy beggars—The Poor Law under Queen Eliza- beth—Other influences	

CHAPTER VIII

THE EIGHTEENTH CENTURY	105
The first half of the century—The latter half of the century—Industrial progress—Agriculture—Labour —The Poor Law—1795 A.D.—The Poor Law of 1834	

PART IV.—MODERN SOCIAL PROBLEMS

CHAPTER IX

NATURAL SELECTION AMONG CIVILISED PEOPLES .	120
Elimination—The percentage of the population elimin- ated—How far is elimination selective ?—Disease— Alcoholism—Moral defects and want of brain power —Loss of organs and faculties—Lamarckism— Variety of environment—Birth rates and death rates—An organism that renews itself from its base —Degeneration—Sexual selection—Reproductive selection—Potential strength and actualised strength—Decay of the Roman Empire—Influence of science and wealth on evolution—Removal of crises—Résumé	

xii DARWINISM AND MODERN SOCIALISM

CHAPTER X

INDUSTRIAL COMPETITION AND ITS REGULATION BY THE STATE.	144
--	------------

Competition among wild animals and among civilised men—The production of wealth—The way the law works—Regulation by the State and the alternatives—The Factory Acts—Result of the Factory Acts—Herbert Spencer on legislation—The influx of Irish labourers—The limit to what the State can do—The question of the home—Summing up

CHAPTER XI

TRADE UNIONS	165
---------------------	------------

Trade Guilds—Repressive laws—Socialistic tendency—Immunity of the funds of Trade Unions—The war of Capital and Labour—The wars of village communities—The good done by trade "wars"—The seamy side of Trade Unionism

CHAPTER XII

THE BUSINESS CAPACITY OF GOVERNMENTS	179
---	------------

Ancient states and modern states—The administration of the law—The War Office—The Navy—The Post Office—The Press—Supposed gravitation towards socialism—Somerset House—Conclusion

CHAPTER XIII

THE BUSINESS CAPACITY OF MUNICIPAL CORPORATIONS	194
--	------------

Municipal building—Gas—Street lighting—A hybrid between socialism and capitalism—Business training—Municipal patriotism

CONTENTS

xiii

CHAPTER XIV

	PAGE
SAVING AND INTEREST	202
Primitive peoples — The miser — Modern saving — Interest	

CHAPTER XV

NATIONAL DEBTS	209
--------------------------	-----

CHAPTER XVI

LOCAL INDEBTEDNESS	215
------------------------------	-----

CHAPTER XVII

RAILWAY FINANCE	217
---------------------------	-----

CHAPTER XVIII

ACCUMULATIONS OF CAPITAL	219
Non-producers—Indirect producers—Proportion of the national income that goes to capital	

CHAPTER XIX

GREAT TRADING COMBINATIONS	232
--------------------------------------	-----

CHAPTER XX

THE LAND QUESTION	237
-----------------------------	-----

xiv DARWINISM AND MODERN SOCIALISM

CHAPTER XXI

	PAGE
THE CAPITALIST CLASS AND THE LABOUR CLASS	241
Number of capitalists—Openings for the man with a little capital—Shopkeepers—Wages and prices— Stoppages of work—Nature and duration of work— The future—Résumé of the last seven chapters— Modern capitalism and Darwinism	

CHAPTER XXII

THE THEORETIC BASIS OF SOCIALISM	254
The views of Karl Marx on labour, capital, interest— Regrating—Land and property—Labour and capital —Capital in the embryo stage—Interest—Distri- bution of commodities—The inventor—The organ- iser—Résumé	

CHAPTER XXIII

THE POWER OF THE STATE	271
Ancient Rome—Siege of Jerusalem—The feudal system —Our American colonies—The Europe of to-day— The State under socialism—What the State can do and what it cannot	

CHAPTER XXIV

SOCIALISM TENDS TO DESTROY ITSELF	285
National workshops in 1848—Robert Owen's "New Harmony"—Poplar	

CONTENTS

xv

CHAPTER XXV

THE OLD SOCIALISM AND THE NEW . . .	295
-------------------------------------	-----

The springs of action under the old socialism—Destructive nature of socialism—Human nature—motive for work under the new socialism—Competition not degrading—Altruistic motives—Possible range of sympathy—Individualism so-called—Socialists and the family—Isolated units—Statistics of suicide—Impotence of the omnipotent State—Education—Religion—Primitive religion—Summary

CHAPTER XXVI

CONCLUSION . . .	325
------------------	-----

The causes of misery—The unemployed—Realities of socialism—Resources of individualism—Intervention of the State—Man's fate in his own hands—Need of competition, of a struggle for existence

DARWINISM AND MODERN SOCIALISM

CHAPTER I

SOCIETIES ANIMAL AND HUMAN

THE STRUGGLE FOR EXISTENCE — ASSOCIATIONS AMONG
ANIMALS—EVIDENCE OF THE STRUGGLE FOR EXISTENCE—
THE STRUGGLE FOR EXISTENCE AMONG MEN—INDIVIDUAL-
ISM—TRADE-UNIONISM AND SOCIALISM—DEFINITIONS—
SOCIALISM AND THE STRUGGLE FOR EXISTENCE

THE struggle for existence goes on throughout the organic world. Through it plants and animals have become what they are. The feeble, the sickly, the unadaptable are weeded out. To the environment as it changes slowly or rapidly every individual must somehow adjust himself or else submit to elimination. Without adaptability and without vigour there is no possibility of surviving. Hence the exuberant strength of wild animals and plants, hence the joy of mere living that characterises the higher species. When variations arise which through lucky coincidence turn out to be adaptations, new species are formed. Hence the multitudes of highly specialised forms of animal and plant life which people the world, each filling its place, each having been moulded by the changing environment as the ages rolled on.

This is the Darwinian theory, a theory that is simple enough and yet one that is frequently misunderstood. Indeed, the mere simple statement of it leaves us quite in the dark about some matters which we very much want to understand. To begin with—of what nature is the struggle for existence? Against whom or what do the combatants fight? Against the inanimate environment or against one another? And does each individual fight for himself, or do troops do battle against troops, associations against associations? To this latter question we cannot give an answer in one sentence, cannot formulate a principle that is absolutely true for all plants and animals. The life history of each requires special study. But if for the moment we leave the human race out of sight, we find but few exceptions to the rule that living organisms must be able as individuals, each by the help of his own physiological endowment, to stand whatever strain the inanimate environment in the shape of cold or heat or drought or flood may put upon them. Against disease also the individual plant or animal fights unaided. Man alone is able, by sympathy and skill, to help his associates in the struggle against disease.

But when we look further into the matter, we find no approach to uniformity. A plant plays for its own hand, so to speak. A forest tree struggles against its neighbours, tries to get some share of light. A small plant is no less individualist and makes efforts not to be overrun by small vigorous rivals, and among most of the invertebrate animals and even many vertebrates we find an almost unqualified individualism. The herring scatters her eggs in the sea, leaving the young to take their chance. Each embryo has a little food provided for him in the egg.

Save for this (poor minute individualist !) he must trust to his own resources.

But among the higher animals we never see a purely individualist system maintained from the beginning to the end of life. Either permanently or at intervals they form associations, small or great, and fight the battle of life in combination. The smallest and by far the most important association is the family, in the narrow sense. Two birds, for instance, pair together for one season or in some cases for life. They share pleasure and pain, for all the hopes of both of them are centred in the same nest, the same eggs and, soon, the same little nestlings. To the feeding and the defence of these nestlings both devote all their days. Sometimes such families exist within a larger group. Rook pairs with rook, and a great number of such pairs go to make up a rookery. Their large numbers enable them to beat off such enemies as falcons. The bird of prey must look out for stragglers, for he dare not invade the clanging populous rookery. But often in the animal world we find large groups formed not of pairs, as in the case of rooks, but of individuals. Deer and antelopes form herds, among which a polygamous system prevails. The does form the harem of the lord of the herd. But even here there is for a time an incomplete and rudimentary family. The young fawn is not only suckled by his mother, but looks to her for protection if they happen to get separated from the herd. If a danger in the shape of man or beast of prey appears, she encourages the enemy to pursue *her*, while her young fawn, perhaps at some signal from his mother, drops and disappears in the long grass or brushwood.

When the association is only temporary, only for

the breeding season, it is often replaced by a new grouping for the rest of the year. Starlings, for instance, break up into pairs when the nesting time comes, but as soon as their young are reared, they go about in flocks. And so it is with many other birds. When you see them in flocks, you find in it a reminder that the summer is far advanced. It is to be noticed that we do not find the great carnivora living together in communities. They are nearly all monogamous, though in some cases—the wolves are a well-known example—they hunt in packs.

But the associations which we find existing so commonly among the higher animals do not relieve the individual of the necessity of defending himself on occasion. He must be efficient not only as a member of an association, but as an individual. For the rook to belong to a rookery is much, but it does not mean freedom from all danger. The bird of prey finds his opportunities. As to pairing and bringing up a family, the individual bird gains nothing, materially speaking, by it. On the contrary, motherhood, and even fatherhood, brings with it a heavy tax. It is the young who profit. But the parent birds have their consolations, for their life becomes more intense when they are devoting themselves to the rearing of their offspring. Their altruism is an expansion of their individualism. As with men—a large proportion of them, I mean; certainly not all—the intensity of the individual life finds expression in sympathy with others. Nature has nothing more wonderful to show than a linnet sitting long days and nights on her eggs, or putting her whole heart into the feeding of her young. Unconsciously she is sacrificing herself for the good of the species. But

here, as in other cases, the self-sacrifice being absolutely whole-hearted is not felt as a sacrifice.

This seems the proper place to answer the question, why it is that in some species pairing is the invariable rule, whereas in others polygamy prevails. The cock thrush works as hard as his partner to supply his young with food. The greater carnivora pair, and father and mother both help in the rearing of their young—the lion with his two or three wives is an exception though not a very glaring one—whereas among deer and antelopes polygamy on a large scale prevails, and the father never troubles about his offspring. They are to him simply members of the herd. It may be urged that the vigorous life of the larger group, the herd, naturally tends to reduce the smaller group, the family, to unimportance. But this argument will hardly hold water, since rooks and jackdaws are, both of them, pairing species and at the same time they live in flocks. Beyond a doubt the true explanation is this: pairing takes place in those species whose habits render the help of both parents necessary for the support of the young. It is not easy to catch food for a young tiger, and, therefore, both parents go hunting for the benefit of their common family. When one parent is killed, the survivor may under favourable circumstances succeed in doing the work of both, but such cases are rare. Recently I have heard on good authority of a cock blackbird who lost his mate, but succeeded single-handed in rearing a nest full of young. As a general rule, we may say that where the energies of both parents are not required for the nurture of the young, polygamy tends to make its appearance. Young magpies are voracious and their food has to be carried to their nest high aloft. Hence magpies

SOCIETIES ANIMAL AND HUMAN

pair. Young pheasants, very soon after they are hatched, pick up food for themselves. The young antelope, as soon as he is weaned, can find his own food. Hence we find polygamy among pheasants and antelopes. No doubt there are some cases which are difficult of explanation. I cannot myself explain why the Red grouse pair while the Black grouse do not. But a small number of doubtful cases cannot be set against an enormous mass in which the explanation is clear and indisputable. The man who cannot see the wood for the trees is not likely to solve biological problems. Monogamy has its origin in the helplessness of the young. Of human kind this is true as it is of other animals. To the helplessness of the young we must look for the origin of the family, that unique social institution on which civilisation has been built up.

Let us now return to the larger associations of animals. As I have said above, their *raison d'être* is, as a rule, mutual defence. For this purpose mainly they exist, for example among monkeys, pigs, deer, antelopes, birds. Among insects, we find much more highly organised associations, the object of which is co-operative labour quite as much as mutual defence. Every one is familiar with the communities of bees and ants. Among them we find special work allotted to different classes of individuals whose structure is specially modified for its performance. There are, the queen bees, whose sole duty is to lay eggs and populate the hive; the drones, whose function is sexual only. Then there are the workers, in whom the sexual organs are suppressed. Thus there is an anatomical and physiological specialisation beyond anything we find in the human race. Among the members of any human community are many who can be fitted by

education for any work that is likely to be demanded of them, whereas among slave-keeping ants, to take an extreme case, we find a soldier caste, that are incapable of anything but fighting. They cannot even eat without the help of slaves to put the food into their mouths. Any human community whose members had to such an extent lost their plasticity, would obviously soon cease to exist. Quite apart from the question of anatomical specialisation, bees and ants are better suited for living a corporate life than men, for, guided as they are mainly by instinct, it is possible for them to dispense with individuality and become the slaves of the spirit of the hive, to use Maeterlinck's expressive term, or the nest. A man who has no personality of his own is comparatively useless to the community to which he belongs, since it is essential that its component units should have among them a great variety of character and attainment.

I will now recall the main facts that I have tried to make clear. There is a struggle for existence for all plants and animals. None can be merely onlookers. Each individual has to hold his own against disease, heat, cold, and enemies. There is also a struggle between group and group. Associations of individuals exist for mutual defence. But each individual must be vigorous and, according to the standard of the species, alert and intelligent. The incapable are got rid of by natural selection, or, more strictly speaking, by the environment, quite as effectively as if no association existed. There is no room for the inefficient, since combination protects only the strong and capable. Insect associations are different in that they exist for co-operation in work as much or even more than for mutual defence. The family, as an association, stands by itself since

the two individuals who join in partnership gain nothing except greater intensity of life. It is the species that benefits.

Now we may go on to meet a possible objection. If there is really a struggle for existence for each individual and for each group, it seems curious on first thoughts that so little sign of it becomes visible to the casual observer. He looks for the red tooth and claw that Tennyson has sung of, and fails to see them. In spite of this he must know what is going on. He has read or heard what Darwin says about elephants in his *Origin of Species*. If none were eliminated, the whole world would, before many centuries have passed, become crowded with elephants, and this in spite of the fact that elephants reproduce their kind but slowly. There must then be some check to the growth of the elephant population. The same line of argument is, if possible, still more convincing if we think of that proverbially rapid breeder, the rabbit, or the herring and the cod, compared with whom the rabbit is miserably infertile. Convinced by these Darwinian common-places, the casual observer wonders, if he has the energy to wonder, that he sees so little of the working of the Darwinian system. The fact is that the struggle goes on at crises only. The rabbit struggles only when a stoat or a goshawk suddenly appears, when a ferret invades his burrow, when a man with a gun comes within range, or when a drought leaves him without food. Between these times he is free from danger and, what is perhaps more important, free from anxiety. He is always more or less on the alert, but he has not the human faculty of looking before and after. And so he is able to enjoy to the full the inter-spaces between the times of struggle. Among civilised men, too, the struggle goes on, but, except for the

poorest, it is mainly, but not entirely, a struggle against disease. Softened as it has been by civilisation, it still remains a very real struggle, as may be judged from the fact that not far short of 50 per cent. of our population are eliminated before they reach the age of twenty-five.¹

As among animals generally so among men we find associations. For all there is a struggle for existence. To begin with, each man fights, mainly as an individual, against disease, and, in primitive times, for all and each there were not seldom enemies against whom they had occasionally as individuals to hold their own or else perish. But all human beings are in their early years members of an association, either a family or some institution which takes its place. No infant can be a thorough-going individualist, however much he may wish to be his own master. In ancient days there was hardly a human being who was not throughout life a member of a closely knit community larger than the family ; hardly a man, and still less a woman, who was not a member of a tribe or a communal village. An outcast from one of these communities must either get admitted to another or else lead a very precarious existence as an Ishmaelite, for no one could stand alone in such lawless times. And so the tribe and, later, the village community, grew strong. But it is remarkable how the institution of the family developed and thrived within these larger associations. The strong bond between tribesmen did not weaken the bond between kinsmen. It is true that there is a shadowy prehistoric time, when according to some high authorities the tribe consisted not of families but of individuals, a time when there was nothing that we can dignify with the name of marriage. Either such a state of things

¹ See Chap. IX.

existed or an approximation to it, for even now we find in not a few tribes an almost unrestrained licentiousness. Still even in such cases there is family life of a kind. Children are cared for by women whom they look upon as their mothers, and in most cases are owned by men who, at any rate to some extent, recognise the duties of fatherhood. Later on we find the patriarchal system firmly established among the great mass of the human race. Monogamy is the general rule, and the husband is the ruler of the family, having among many peoples almost despotic power. This power is, as a rule, founded on religion. Firm on this basis it still stands unshaken among the Hindoos and Chinese. They worship their ancestors, who, they believe, are still alive in as true a sense as they themselves are, and this worship can be carried on only by a male descendant. How it came about that this idea established itself as a fundamental part of the religion of so many peoples, we need not now enquire.

The vigour of family life did not interfere with the life of the tribe or of the village. Closely bound as a man was to all members of his family, he could never forget what he owed to his tribe or his village. There were enemies all around, rival tribes or rival villages, and it was only by banding themselves together in larger groups that families could hope to escape destruction. The necessity for mutual defence is the bond which holds the tribe or the village together. Co-operative labour and the holding of property in common are minor matters. The tribe has land on which the cattle owned by the tribesmen graze, and private property in land does not as yet exist. After a time, when tillage comes in, some part of the tribal land is divided among families. Every year there is a re-

division. But this annual distribution gives much trouble, and the system is modified, the land being re-distributed at longer intervals. Each year when the crops have been gathered the land again becomes common land, and is used by all members of the tribe for grazing their cattle, and even in the matter of tillage there are rules which all alike must follow. After a time villages develop. Agriculture under the purely tribal system had been extremely rudimentary. Now permanent settlements are formed and it makes progress. Certain families we must think of as settling in certain parts of the tribe's domain, and each group of families forms a village—such seems to have been the usual process. The land belongs to the village, but the arable is allotted to families and in process of time the practice of re-division tends to disappear, though it still survives in Russia. But that part of the grass land which was reserved for hay long continued to be annually re-distributed in European countries, and examples of the practice were to be found in England in quite recent times. In most cases in England and Western Europe generally the meadow-land, like the arable, became private property. The waste land, on which the cattle of the villagers grazed and with which we are still familiar as common land, in many places escaped enclosure longer, and not a few commons still survive as vestiges of an economic system that has passed away. When there was no longer any danger from without, since the law was becoming strong, when the men of energy and enterprise were hastening to cut themselves free from associates who loved nothing so much as the old rut of custom and tradition, such little communities began to disintegrate. There were many who kicked against the intolerable fetters put upon them by the village

system, which obliged all to grow the same crop and cut it at the same time. They longed for private property that they could make the most of. And Parliament, siding with the individualists, passed many hundreds of bills authorising the enclosure of open land and its transference from the village to private owners. Compensation sometimes adequate, but often very inadequate, was paid to those who had the right of commonage, and so a system, out of which the life had departed or was departing, was hurried out of existence by the Legislature.

Individualism had, of course, never been absolutely crushed even at times and places where socialistic institutions seemed to make the man only a component unit of a community. But individualism was now to be dominant. When the change in our land system was being completed, towards the end of the 18th century, mechanical inventions came thick and fast, bringing about a social revolution. Notable among them were the spinning jenny and the power loom. There followed soon the steam engine with its endless applications. Instead of working in their cottages at spinning and weaving, and breaking the monotony of their work with gardening and such things, men were massed together in factories. The age of rapid progress, of wealth, of strain and stress, had begun. Huge fortunes were piled up, and at the bottom of the social scale men lived in greater misery than the poorest of former times, and, what made matters worse, lived in sight of almost boundless wealth.

Individualism, suddenly full blown and utterly reckless, was oppressive and produced misery that beggars description. Naturally the oppressed resorted to combination in order to resist the strong. When it was found that machine-breaking was of no avail,

they turned to trade-unionism. For when men cannot hold their own as individuals, they, as a matter of course, try the only alternative. On the one side was capital ever amassing more wealth and, except in the case of high-minded individuals, ready to use any means, however oppressive, to get money. On the other were the workers, who felt that they had a right to a far larger share or even to all the wealth produced. As the communal village in ancient times was strong because it had to resist the neighbouring villages or the extortions of some feudal baron or some rajah, so trade-unionism derives its strength from the fact that capitalism is oppressive. If the workers were guaranteed a fair share of profits and were not liable to dismissal at short notice, the trade-union would melt away.

But since the trade-union is only partially successful, since capital is still in some cases very oppressive, the socialist movement is strong. It proposes as the only remedy for existing evils, that all land, and all the machinery of production and distribution, should pass into the hands of the state. Under this system there is to be no capitalist and no capital. The state is to manufacture everything that is wanted. And here we must notice a marked difference between the old socialism, the semi-socialism, I mean, of the communal village, and the new socialism. In the communal village the institution of the family was strong. A man's house was his castle, a man's kinsmen were those to whom he looked to help him in need and to avenge him if slain. But socialism looks askance at the family and everything connected with it. And not unnaturally. For why does a man accumulate capital? Is it not because he wishes to give his children a good start in life or to found a family? To Walter

Scott to be a great novelist was but a small thing. He wished to be a laird. There is no doubt that the family is an institution which naturally leads to capitalism. In ancient times the accumulation of capital was very difficult, so that, though the motive was always present, the results showed themselves only in a modest form, and the family system, though it inclined men to accumulate wealth, yet provoked no antagonism. Now its inevitable tendency has become plain. Hence the extreme, thorough-going socialist has marked down the family for destruction. Ruskin, in some ways a socialist and certainly very strongly anti-capitalist, was also a great believer in family life. But he did not see the inevitable tendency of socialism. Whatever individual socialists, here and there, may say to the contrary, yet the fact cannot be gainsaid: the existence of the family bars the way to the acceptance of the cardinal economic doctrine of socialism.

I must now give further definition of several terms which I have had to use constantly. Individualism, in its extreme form, holds that the only duties of the state are to defend the country from foreign foes and to protect each citizen from injustice at the hands of other citizens. Each man is to be free, his liberty being only limited, to quote Herbert Spencer's formula, by the like liberty of others. But even the most thorough-going individualist recognises that a man must belong to one small association, namely, to a family. And, further, all reasonable individualists hold that the state may with advantage go beyond its minimum rôle and, for example, regulate the conditions under which work is carried on in factories. A full-blown socialist maintains, as I have said, that production and distribution should be exclusively in the hands of the state, that

private property should be limited to what political economists call consumption goods (abominable name !) such as food, clothes, furniture, works of art. Since private property is to be thus limited in amount, there is to be no usury. The exaction of interest on a loan is condemned as wrong. A man is to be remunerated by the state for the work he does, but as to the principle to be followed—whether all are to be paid equally, whether high-class work is to be more highly paid or whether degrading disagreeable work is to receive specially favourable consideration—on these questions socialists are not agreed. For the economic system that I have outlined collectivism is a good and expressive name. But the socialist, as distinguished from the mere collectivist, accepts collectivism, together with what he considers its inevitable implications. He is the champion, as I have said, of the big association against the small, of the state against the family. As soon as physiological necessities permit, the state is to assume responsibility for the up-bringing of the child, though his mother may be allowed to have the charge of him. This I take to be the view of orthodox socialism, if as yet we can say what is orthodox and what is not. Some socialists, no doubt, think differently, but their actual economic doctrine leads inevitably, as I have said, to the abolition of the institution of the family. And it goes without saying that the state is to undertake the education of all children. So that it will have on its hands the production and distribution of goods, the nursing of infants, and the education of the young of both sexes.

This introductory chapter was intended to be almost entirely explanatory while comment was to stand over for the present. But I cannot help

pointing out now what a picture is here presented. The family, that small association on which man so largely depends for his hold on life, is to pass away. In its place is to be put a gigantic bureaucracy, too big and machine-like to retain any remnant of human sympathy, and this huge system, this machine, is to rule despotically over a crowd of helpless individuals.

I must now call attention to a fundamental difference between the old socialism and the new. Socialism in its ancient form, the socialism of the tribe or the village community, did not come into conflict with Darwinian principles. Obviously so, since it was a successful working system for many thousands of years. Though it allowed the institution of the family, and with it, affection, tenderness, sympathy, to thrive and develop, yet it did not check the elimination of the unfit. The new socialism is as antagonistic to the old as it is to capitalism itself. War was the very life of the ancient tribes and villages. An inefficient tribe or village was wiped out bodily, and there was no room for the ne'er-do-weel within the small community. The new socialism aims at putting a stop to the struggle for existence altogether. There is to be, if not a luxurious, yet a soft, environment for all. The large elimination of the unfit, which still goes on in spite of our science and our wealth, is to be stopped. When a socialist takes any notice of Darwinian principles, he admits, apparently, that the human race has gained its present character, physical, moral and intellectual, through natural selection. But the time for such inhuman methods, he imagines, is over. The struggle for existence has done its work. The work remains. Strength and energy have been won and cannot be undermined by any new-fangled system. He dreams

not of retrogression, of the possible loss of all the qualities that natural selection has produced in man in the course of ages. The work of evolution, such seems to be the theory, has been to provide material for the socialist to play with.

In order to understand our present problems, to diagnose the diseases of our existing social order and to distinguish quack remedies from true, it is important to pursue the historical method. We must study the semi-socialistic system which fostered civilisation in its early days. We must see clearly wherein lay the strength of the communal village, and realise how it differed from the socialistic institutions we are now threatened with. When we have investigated the life of such primitive communities and the part they have played in human history, we shall be in a better position to understand the cause of their disintegration and the rise and the nature of individualism. One primitive social institution, the family, we shall see surviving, though not so strong as of old, amid the wreck of the others. As we proceed, it will be clear that at all stages the rigorous elimination of the inefficient has been an essential condition of the progress of civilisation, and that in this respect the present stage differs but little from those that have preceded it.

The birth of a new social organisation necessarily involves suffering, and the birth of the modern competitive system has been fraught with misery so great that the tale of it would curdle the blood, had we only imagination enough to picture to ourselves the facts when we hear of them. The worst of the evil is, in my opinion, over. Yet great evils remain. When I have shown how the whole fabric of our modern civilisation—its noble achievements

and its miseries, its splendours and its slums—is based on the struggle for existence and natural selection, then I hope to be able to make clear how socialism fails as a remedy and also to point out that the future has in store some mitigations, and no small ones, of our present evils. But for each age its own social problems. When these that now press for solution have been grappled with or have worked themselves out, we may be sure that others not less urgent or less puzzling will arise.

So far, Social Evolution has moved towards the higher, and the nobler. Often a rapid transition has entailed endless misery, and there have been examples of local retrogression, of the passing away of great civilisations. But if we take a broad view of Social Evolution we may apply to it Sir Edwin Arnold's grand lines—

“It maketh and unmaketh, mending all:

What it hath wrought is better than had been;
Slow grows the splendid pattern that it plans
Its wistful hands between.”

Let us hope this will always remain true.

CHAPTER II

THE FAMILY

ITS PHYSIOLOGICAL BASIS—POLYGAMY—THE FAMILY BECOMES
A RELIGIOUS INSTITUTION—THE PATRIARCHAL FAMILY—
ANCESTOR WORSHIP—CHASTITY—EVOLUTION OF THE
FAMILY—THE JOINT UNDIVIDED FAMILY.

THE institution of the family rests on a firm physiological basis. When the young are born helpless and require careful and prolonged nurture there must be a family system in some form or other. In species which trust to mere numbers for the preservation of their kind, which fling them into the world with only a few days' food to give them a start, as fish for the most part do, there is no parental instinct. But animals that we consider high in the scale are remarkable for the strong affection of parent for child, though in polygamous species this shows itself only in the mothers. It is only where parental affection is highly developed that we find much intelligence. The young fish that have to fend for themselves directly they emerge from the egg have only unvarying or little varying instincts as their guides amid the perils of life. It is only where the young are sheltered from the stress of natural selection for a considerable time that there is opportunity for the growth of intelligence. Intelligence is developed by play, by making endless experiments,

by imitation, by attention to parental teaching. Young monkeys, puppies, kittens, tigers, lions, in short all the more intelligent mammals, are great at play. They all learn also by the help of instruction or by making experiments, what is good to eat and what is not, who are their enemies and who are their friends. It is only those who have no capacity for learning that are born with highly developed instincts—the caterpillar, for example, that is able to spin his cocoon without any practice or instruction. But every animal that is capable of learning has instincts less perfectly formed, less ready for immediate use. Strong in intelligence, weak in instinct, is the rule and *vice versa*. A man has almost nothing of instinct. To suck is almost the only instinct, perfect or nearly so at birth, which a baby has to help him. His time of infantile helplessness lasts far longer than that of any other creature, and as his infancy and dependence on others lasts far longer, so his power of learning is almost immeasurably greater, than that of the animals who come next to him in the scale of intelligence. No wonder that in man we find parental affection at its highest! The fate of the child depends on its nurture and education. And save in very exceptional circumstances no one except its own parents is likely to take the infinite pains that proper nurture requires.

I have shown how polygamy arises among birds and mammals in those species in which the young are very soon after birth able to find their own food and generally to look after themselves. The same principle operates among men. The approximate equality in numbers of the two sexes is not the only cause of the infrequency of polygamy. It is significant that it is much commoner in southern climes

where the up-bringing of children is comparatively easy than in the stern hard north that gives nothing except to the strenuous, the industrious. To the hardness of the northern climate we may trace the strong affection that is a characteristic of the northern peoples. The need for food, clothing, housing, fuel is more urgent and less easily satisfied in the north, and this necessitates a more careful nurture of children, and more self-sacrifice on the part of parents. Hence the warmth of parental affection and the strength of the family tie which is so marked a characteristic of the northern peoples, and in particular of those of Teuton blood. They have lifted family affection to a higher plane and made it an integral part of western Christianity. And even now it retains much of its ancient strength though the religious sanction has grown weak or even died out.

Based originally on physiological necessity the family became in very early times a religious institution. It is of the nature of religion to consecrate and absorb into itself all that is most earnest in human life. It ought not to surprise us, therefore, when we find that the races that have peopled the greater part of the habitable globe regard, or formerly regarded, the family as a uniquely sacred institution. Each household had its Penates, its household gods, and the worship of them centred round the hearth, which had a peculiar sanctity of its own. And it is remarkable that wherever this cult established itself the family has assumed the patriarchal form.

Not long ago the patriarchal family, over which the paterfamilias ruled with absolute sway, was considered to be the primitive form of the family. It was an essential part of such a system that descent traced through the male line. Readers of

Aeschylus will recall a story that illustrates this— how Orestes killed his mother Clytemnestra, thus avenging his father Agamemnon whom she had murdered : how the Furies, the avengers of the guilt of blood, pursued him : how he was tried before a tribunal at Athens and Pallas Athena sat as president : and how he maintained that there was no tie of blood between himself and his mother. This is the strange theory that we have in Plato, who held that a mother is to the child only as the soil is to the plant.

The patriarchal family has now ceased to be regarded as primitive, and there are authorities who hold that there was a period that may be described as definitely matriarchal and that such a matriarchal stage was strictly speaking primitive. There are, however, reasons for rejecting this view. Darwin held with good reason that male jealousy is too strong to allow a completely developed matriarchal régime to arise, and probably Professor Starcke is right when he maintains that the primitive family group was ruled by the father in virtue of his physical superiority. It is true that we find some peoples living under what may be called a matriarchal régime, though the power of the materfamilias is not definite and indisputable as is that of the paterfamilias in races where the patriarchal system obtains. Perhaps most notable among these matriarchal peoples are the Nairs of the Malabar coast. The women, it is true, are only allowed to marry men of their own or of a higher caste. But within these limits there is the greatest license. The wife keeps house and rules it, or else her mother or uncle or brother keeps house for her. There she receives her husbands (for there are more than one) and she certainly occupies a position of great importance and influence. But

THE FAMILY

this Nair system of marriage, one of the varieties of polyandry, is probably not primitive, and it is difficult to believe that all races have passed through such a stage. Among the ancient Egyptians too we find a sort of matriarchal system. Women were allowed to hold property and thus they gained power. Among the Touaregs also the high position occupied by women may be traced to the same cause. In a great many cases the family has been over-hastily labelled matriarchal, merely because it was not definitely patriarchal and because considerable power was in the hands of women. Then, too, the large number of goddesses, such as Ceres and Minerva, to whom men prayed to help them in agriculture and the arts, is conclusive proof, to some men, of an age when women led the march of progress while men were comparatively barbarous. But this is to build a very big theory on a very small foundation. Let us take it as evidence that women were not treated as non-entities.

But beyond doubt all races have passed through a stage which cannot be described as definitely patriarchal. When clans were first formed, it seems that the family tended to disintegrate, a phenomenon that requires investigation. Among birds of gregarious habit, for example among rooks, we find the family tie very strong during the breeding season. The large association does not weaken the smaller. But among primitive men it was otherwise. Complicating factors came in. A child might belong in law to a man who was not actually his father. And thus it is probable that men were often content with the possession of children, not caring much whether they were their own offspring or not. Hence the common practice of lending wives, a form of barbarous hospitality. One is loth to

attribute horrid ideas and horrid practices to primitive men, our own remote ancestors, to put them in the matter of wedlock on a lower level than the higher apes. But customs still prevalent among barbarians almost compel us to do so. Licentiousness was, no doubt, very prevalent and still obtains to an astonishing extent in many tribes, notably among the Todas. But nowhere does it amount to absolute promiscuity. And nowhere does it destroy the family. The wife keeps house for her husband, and this he regards as her important duty. The children, whoever may be their sire, are his property. It is enough for him that he is, legally speaking, their father, for the law of custom within the tribe is strong and guarantees him in possession, thus, apparently, disarming male jealousy. And so, even during the period when something approaching to promiscuity prevailed, the institution of the family, though, of course, enfeebled, was yet quite alive. The fact, as I believe it to be, that the family system even at its weakest had still much life in it, is of great importance for the inquiry in which we are engaged. But still more important is the fact—and here there is little room for dispute—that races or peoples, among which a definitely patriarchal form of the family has grown up and maintained itself, have advanced in civilisation far more than peoples among whom the family is matriarchal, or only very vaguely patriarchal. It is known to everyone that the authority of the father among the Romans was of the sternest type, and the Romans were a representative Aryan people. We find the father the undisputed ruler of the house wherever the people that we count Aryan are found, among the peoples of Europe and among the Hindus. Among the Jews also the family was distinctly patriarchal,

THE FAMILY

and it is so among the Chinese and Japanese. The peoples that I have mentioned include a very large proportion of the inhabitants of the globe, for the Chinese alone number nearly or quite 400,000,000, and the population of British India (not far from 300,000,000) is largely composed of Hindus. In fact wherever family life is strongly developed it is patriarchal. And it is a remarkable fact that within the little village communities that almost all over the world were long so full of vitality, the family system grew strong. The unit of the village as of the tribe was the family. Where the social unit at the base has been strong and well defined, there civilisation has been carried far. Tribes, on the other hand, in which the institution of the family was weak and undeveloped have remained feeble and unimportant, though highly interesting to the anthropologist. The absence of genuine family life means a kind of individualism for which man is not suited.

Without religion the institution of the family could never have grown strong as we find it among the Hindus and other peoples. When a Hindu dies he does not cease to be a member of the family. He becomes a divine being, but he does not pass out of the life of the household. The Hindu addresses prayers to his ancestors, almost as if they were gods, and his first duty is to beget a son to carry on the family worship. The Romans worshipped the Lares, the Penates, *i.e.* the dead, the House Spirits. The hearth was a sacred place where the House spirits were believed specially to reside, and it communicated its sanctity to the whole house. Hence the astonishing secrecy of domestic life in India, maintained, it is said, even by very poor people. The household worship is a thing in which no stranger must share.

And as a relic of this, a faint spark amid the ashes on the ancient hearth, we have the saying, "An Englishman's house is his castle."

The worship of the House Spirits struck very deep root among the Romans. Among other European peoples we find a House Spirit, but its existence is much less distinct. Christianity has impressed itself so deeply on European thought, that many primitive beliefs and customs have become almost unrecognisable even where vestiges of them exist. To a Chinaman or a Japanese the worship of his ancestors is the most real part of his religion. It has proved a great obstacle to the progress of Christianity, since missionaries insist that it is a superstition and incompatible with the faith they preach. "Twice a year at least"—I quote from Mr. Cockburn's excellent book *John Chinaman* (p. 35) "food and drink are offered to the spirits of ancestors, and on these occasions piles of paper money and paper clothes, miniature houses and representations of all the necessities of life, paper sedan chairs and paper bearers, paper opium, pipes and lamps, the implements of gambling and the requisites of pleasure, everything which could conduce to the comfort of the dead, judging by their predilections when alive—all are burnt with appropriate ceremonies, and filial piety has no misgivings that the transparent shams are transported as ghostly realities to the right parties in the land of shades." The Chinese have a way of rendering ridiculous and farcical what they consider most solemn and serious. But no doubt these childish ceremonies help to make their belief in the survival of their ancestors a reality. A Chinaman, a Japanese, or a Hindu is not a mere isolated individual, but he is a link in a long chain and he has solemn duties to his predecessors which it is a grievous sin

to neglect. This point came out in a very curious way in a census return sent in by a Hindu. The story is told by Sir Alfred Lyall—I quote from memory but feel sure that but for verbal inaccuracies I give the story correctly. One of the questions to be answered was, "Who is the head of your family?" A dead man was named. "What is his means of subsistence?" "He subsists on an endowment." "Can he read and write?" "He is omniscient."

Based thus on a religious foundation it is no wonder that the father's power was almost unlimited. A Roman father, when his wife presented him with a child, might either take it up and rear it or he might refuse to take it up, in which case it would not be allowed to live. When the son was grown up, the father had still the right to put him to death. The gods alone had the right to punish a father who made a cruel use of his power, and the gods either did not exercise their right or postponed its exercise till the offender passed to another world. Among fathers were, no doubt, a few who, like Macbeth, were ready to "jump the life to come" if only they were not punished here on earth.

When a girl married she became in law the child of her husband. She was "in manu viri," which means that all the right that her father had had over her passed to her husband. In course of time the sternness of Roman law became much mitigated, and it is only in the early days of the Republic that men thought of a father as having the power of life and death over his son. In China, even now, parental authority is very great. Confucius wrote much about the duties of children to their parents: about the duties of parents to their children he said nothing. Of course if they are harsh and cruel their sons may,

THE FAMILY

in spite of Confucius and his maxims, repay them in kind. But that is a very dangerous game. Some years back a Chinaman flogged his mother. He was, of course, put to death—cut into pieces—and the whole family was punished. The penalties were so various and fell on so many heads that I have not space to recite them in detail.

Wherever the home has been highly developed, it has been founded on the absolute authority of the father. Out of this grew what seems to us more essential, more fundamental—the chastity of the wife. But, as so often happens, we find our grandest ideas are to be traced to a very humble origin. A wife was the property of her husband, so that adultery committed by her was a violation of proprietary right. In an earlier stage, as I have said, husbands proved that they had this proprietary right by lending their wives. However, as a nobler idea of the family arose, unchastity in the wife became an intolerable offence.

But how did this nobler idea of the home arise? Myself I think it had a very simple and obvious origin. The fact of heredity, that children tend to resemble their parents, cannot entirely escape the observation of a barbarian. It would be intolerable to the lord of the household if his reputed children resembled, not himself, but some other member of the tribe: he would be perpetually reminded that his proprietary rights had been violated. Later on, this motive was reinforced by another, by the wish to keep the blood uncontaminated. For even primitive man could not fail to realise that a child born of a good stock is likely to grow up a finer man than one sprung from an inferior line. And thus as soon as the idea of the family took definite shape and

became firmly rooted, the old happy-go-lucky system tended to die out and chastity in the wife came to be ranked among things primary and fundamental. Dr. Hearn, whose book *The Aryan Household* should be read by all who wish to understand the subject, would hardly agree to this. In his opinion the tie between the members of a family was not one of blood, but community of domestic worship. But this is to put the cart before the horse. Primitive religions do not originate anything. They consecrate what has already come to be regarded as important, such elemental things as birth, marriage, death. Religion could not consecrate the family before it existed. Moreover, when there is a blood feud, it is a war, not between two households, but between families in a larger sense. All those who are of the same blood are banded together though they belong to different households, and, consequently, have not a common domestic worship.

There is another problem connected with the patriarchal family that is more difficult to settle. Why was it so definitely patriarchal? Some authorities are ready with an unhesitating answer. It was the practice to capture brides from neighbouring tribes, and so the wife was a captive and a slave. No doubt this way of obtaining a wife was at one time by no means uncommon. On no other theory can we account for the frequent practice of acting a capture by violence, of pretending to carry off the bride by force. But from the nature of the case this way of winning a bride can hardly have been universal. Why go so far afield for an explanation? Surely it would have been odd if the superior strength of the man had not asserted itself, if the stronger partner had not made himself a despot? During

the period which has been without sufficient reason called the matriarchal, really a period when marriage had not yet firmly established itself, when paternity was almost always a matter of uncertainty, the man did not, with regard to marriage and the household, claim the position that he might have claimed. When marriage came to mean more, then descent began to be traced through the male line and religion came in and consecrated the patriarchal system.

I have now shown the nature of the smallest and most important of all the associations that have played a part in human history. Arising out of physiological necessity, it has been consecrated by religion. Larger associations, such as tribes and village communities have not weakened it. It has been left to modern civilisation to sap its strength by means of foolish legislation and to Socialism to threaten it with destruction. 5765

Hitherto I have used the term family in the narrow sense. It remains now to investigate what is called the joint undivided family.

From what we may call the natural family arises the joint undivided family. This institution has grown up and become common in many parts of the world, and notably in India, China and Russia. A number of families, in the narrow sense of the word, live together, all the members of the household being by blood or adoption sprung from a common ancestor, from the same grandfather or great-grandfather. When the sons marry, instead of setting up each a separate house they bring their wives to the paternal roof, and so the family multiplies till sometimes there are as many as seventy members of a single household. There is a common chest or purse and the property belongs to the family, not to the individual. When

the head of the family dies, his eldest son or the eldest member of the household succeeds to the headship and the family keeps together for several generations. At last it becomes too unwieldy, and breaks up.

To us moderns, life in such a big household governed by an aged family despot would be intolerable. "The house, the garden, the implements of husbandry, the cattle, the crops, the chattels of all kinds remain the collective property of all the members of the family. No one thinks of claiming an individual share."¹ All this collectivism must involve endless friction and heart-burnings, unless the members of the corporate household are possessed of unlimited patience and submissiveness. We can imagine people enduring such conditions, only if by the sacrifice of their freedom they escape from worse evils. Often economic exigency may drive them to it. If all the sons remain beneath the same roof and work on the family land there is no need to hire labourers. Besides this a large household can better defend itself against gangs of robbers. Some one can always be left at home to see that thieves do not purloin cooking utensils or agricultural implements. When some members of the family get work at a distance there are others to till the land at home. But when a strong central government makes it possible to lead a more free life, we should expect men to prefer the small household and the natural family, to the constraint of the joint undivided family. It causes no surprise, therefore, when we read in Sir Henry Maine's *Early History of Institutions* that in India under British rule the joint family has become the most unstable of compounds. Our law gives the utmost facilities for its dissolution

¹ Dr. W. E. Hearn's *Aryan Household*, p. 177.

and the people are glad to get free from its shackles. Formerly it is said that the joint family, as a rule, grew and accumulated till the third generation, whereas now it tends to have a shorter and more uncertain life. As has been said of one of our big towns, its great charm lies in the remarkable facilities for getting away from it. In China the joint family seems still to be an institution that has not lost its youthful vigour. A great many disputes, which under a more modern form of government would be settled by the state, are referred to the head of the family or the family council. There is a well authenticated story of a man of thirty-two, a married man and the father of a family, being put in irons, not by a magistrate or judge, but by the family council, made up of the seniors among his own relations who assembled and passed judgment upon him. We cannot expect such an institution to flourish in modern times under western civilisation. It leads to tyranny of a kind that men will submit to only if it saves them from evils heavier and more galling. Stepniak gives details of one particular case that show how terrible must sometimes be the strain of life in one of these overgrown households in his own country, Russia.¹

The Gorshkovs were an exceptionally large and rich peasant family. When visitors called, the family were almost always found seated round a big *samovar* sipping their weak tea. For all the apparent harmony reigning among them there was really a smouldering volcano of discord. In fact the family was only held together by "a clever and robust old grandmother." It had become necessary for some members of the family to go away and earn money. One of

¹ See his *Russia*, vol. i. p. 280.

the brothers went to St. Petersburg and did well as a cabman. In five months he sent home a hundred roubles. During the same time another brother earned only twenty-five roubles as a forester. Why should the forester who earned comparatively so little consume so much tea and sugar when at home? For apparently the forester was a very greedy tea drinker. The cabman could not see the rights of this. Still more, why should the elder brother who stayed at home the whole year round and did very little work at all drink even more greedily—something like eighty cups a day? The whole family seems to have got through some nine hundred per diem. The cabman's children lived, it is true, with the family while he was away at his work, still most of his earnings went to the support of others. The forester was jealous of the eldest brother, the cabman was jealous of the forester and of the eldest brother also. Now another serious cause of quarrel arises. The eldest brother's daughter cannot be happy without a town-made dress. She earned a good deal of money but she could not buy a dress out of her earnings, which had all to be put into the common purse. The elders of the family, therefore, must assemble and vote on the question. By importunity which took the form of perpetual weeping she at last got her wish. First the eldest brother and then the next two brothers went to the nearest port, about fifteen miles off, to buy a dress—apparently business so important must be undertaken by the brothers. The matter dragged on, and when at last a dress was obtained it was quite unwearable. Then another trouble came. The forester decided that he must leave the family. But only by reckless drinking could he screw up his courage to cut himself adrift. Here

I must leave the *Gorshkovs and their remarkable* history, referring my readers for further facts to the pages of Stepniak.

It is no wonder that the joint undivided family is becoming a thing of the past in Russia. Before serfdom was abolished the nobles prevented its dissolution in the villages of which they were proprietors. They found it easier to deal with big units than small ones. When the great emancipation took place, the peasants hastened to make use of their freedom, and the big overgrown households began to break up. The family, as we know it, has a foundation in nature, in physiological necessity. The children bind it together. There may be, and, no doubt, often is, tyranny there too, and there is often misery due to incompatibility. But the natural family supplies a need which has always existed, and, as far as we can see, must continue to exist. What strain it brings is imposed by necessity. The joint undivided family, on the other hand, is an institution which depends for its vigour on external circumstances. The misery of it can be endured only if it enables its members to escape from other still greater evils. !

CHAPTER III

THE VILLAGE COMMUNITY IN INDIA

ORIGIN OF THE COMMUNAL VILLAGE—CASTE—THE OWNERSHIP OF LAND—OTHER PROPERTY—WILLS AND BEQUESTS—THRIFT—VILLAGE LIFE—THE CAUSE OF THE PERSISTENCE OF VILLAGE COMMUNITIES—DECAY OF VILLAGE COMMUNITIES—A SUCCESSFUL ARBITRATOR—DARWINIAN PRINCIPLES AT WORK

AT one time the view was maintained by some of the highest authorities on the subject, that the communal village was a peculiarly Aryan institution. It grew up only, it was said, among that race from which both Asia and Europe derive their best blood. But this view has had to be given up now that investigation has been carried further. Many institutions that were once considered distinctly Aryan have proved to have existed, in India for instance, before the coming of the Aryans. It is frequently found that two races are represented in a village, one holding a position of superiority and representing the invaders and conquerors of some far removed epoch, while beneath them are an inferior caste the descendants of the conquered, the pre-Aryan races whom in India we know mainly as the hillmen. Mr. Gomme, whose book *The Village Community* should be consulted by all who wish to understand this subject, finds that the inhabitants of Britain had advanced far in civilisation before the

36 THE VILLAGE COMMUNITY IN INDIA

appearance of the Aryan conquerors. These pre-Aryans were the Neolithic peoples, whose stone weapons, skilfully shaped and finely polished, show such an enormous advance upon those of the Palæolithic age. Almost everywhere in Europe, except in Northern Russia and Northern Scandinavia, signs of Neolithic civilisation have been found. These Neolithic pre-Aryans cultivated corn. They had domestic animals. The arts of spinning, weaving, pottery were known to them. The Aryan invaders were a race of hunters, who looked upon agriculture and industry with contempt. It is not only in India that two different races, conquerors and conquered, are represented in communal villages. But India is more conservative, and, whereas in other countries races soon become fused and lose their distinctive features, in India castes arise and preserve the race characteristics.

The communal village was developed out of the tribe, which is markedly the more primitive institution of the two. The tribe depended mainly on flocks and herds. It had no fixed homesteads and its agriculture was, from the nature of the case, rudimentary. There was land enough and to spare. No need, therefore, for high farming. As population increased, parts of the tribe formed more permanent settlements, (villages, in fact,) and cultivated the land more thoroughly. At the outset, the village would often consist of a number of households forming a clan—one of several clans of which the tribe was made up—bound together by the tie of blood relationship. They either were, or imagined themselves to be, descended from a common ancestor. But we must not suppose that all villages had a similar origin and were formed on one model.

Sometimes a whole tribe might become more agricultural and less pastoral, and pass from the state of a tribe to that of a village community. Villages in primitive times were plastic bodies. At intervals hordes of invaders would sweep over the country. The villagers would find themselves degraded to a subordinate rank while the conquerors assumed the position of a dominant caste. Sometimes accretions due to a different cause would take place. Since for violation of the law there was practically only one penalty, expulsion, a village would not infrequently have to get rid of undesirables, men who would not, for instance, submit to the village law of custom and were consequently ejected. The men thus expelled would be glad to get admitted into some other village, where they would generally rank as members of a subordinate caste. But if they were good fighting men, who could render valuable service in repelling raids from neighbouring tribes, they might take a higher position. Sometimes the ejected of various villages would be settled by some chieftain on waste land, as serfs or dependents, to form a counterpoise to the villagers with full rights and so strengthen his position.

It goes without saying that in a primitive communal village there cannot have been any development of the caste system at all comparable in its elaboration with what we find in India now. The blacksmith and his family cannot have been representatives of a caste debarred from intermarriage with the families of the other villagers, and having to look for wives elsewhere. It may, no doubt, have frequently happened that brides were obtained by capture. But to recognise that is to recognise that caste as we see it to-day cannot have existed. Nor would it have been easy to negotiate a marriage between

members of families, which, though of the same caste, belonged to villages that were constantly at war with one another. We reach a *reductio ad absurdum*. We have to think of them as being at once friends and foes, friends because they are of the same caste, enemies because they represent different villages. It was, no doubt, very often the case that there were two castes, a dominant and a conquered, the latter being hewers of wood and drawers of water. But even where the communal village, though no longer primitive, yet retains a good deal of its primitive character, there cannot be the minute subdivision into occupational groups which is characteristic of the India of to-day.¹

In the primitive communal villages which we are trying to picture to ourselves land is the property of the community. For the idea of private property, as we understand it, is quite modern, and more particularly the private ownership of land. At the more primitive stage of social development which we are now considering, land is not the property of families, still less of individuals. It belongs to the village. It is distributed among the families that make up the village and at intervals it is re-distributed. It cannot be sold without the consent of the co-villagers. Even when the practice of re-distribution ceased and shares were assigned in perpetuity to particular families—even then it could not be alienated. Sir Henry Maine states that landed property in our sense did not exist in India till we introduced it. In the institutes of Manu, land is never spoken of as

¹ In answer to a letter from me, Mr. T. Campbell Oman has very kindly given me his views with regard to caste within the primitive communal village. In substance what he says agrees with what I have written.

property in the modern sense: it is owned by the village commune, and the cultivators are only occupiers. There is no mention of the selling of land. Appropriating a field, giving a field and seizing a field, have all a place in his pages, but there is no mention of buying or selling a field.¹ Rent, as we are familiar with it, did not exist in ancient India. It is true that we find it laid down in Manu that a man may hand over his land to another to cultivate, and arrange to divide the crops between himself and this other. This is a kind of Metayer system similar to that which still prevails in some parts of Europe, and, as Sir John Phear says, is unmistakably the thin end of the wedge. But the thick end of the wedge seems never to have got in.

Of course private property in land was always tending to arise. A powerful chief had a demesne of his own. Moreover success in war would always bring rewards and break down the established system. A man who made a reputation as a bold and capable leader would attract followers in plenty, for there was no lack of bold and impecunious young men who would attach themselves to his standard. And so he would win territory. But such chieftains ruled over the land they conquered rather than owned it as private property.

When the village land ceased to be redistributed at intervals, the ownership passed from the village to the family, *i.e.* the joint undivided family, a large household living together, under the authority usually of the eldest male of the eldest line. The village retained its hold on land after other things had passed to the absolute ownership of the family. But at

¹ See Sir J. B. Phear's *Aryan Village in India and Ceylon*, pp. 256 and 260.

40 THE VILLAGE COMMUNITY IN INDIA

length land followed the same tendency. *Res familiaris*, the common Latin expression, recalls a time when the family owned almost everything there was to own.

Next to the land in importance, or perhaps in early times no less valuable than land, were the means of cultivation. There was a time when land was to be had in plenty. Capital was wanted to till it, and capital took the form mainly of cattle, the importance of which is shown by the Latin words *pecus* and *pecunia*. Cattle were not only, like our money, the medium of exchange, they were also a valuable commodity. The importance of oxen is illustrated by the Welsh system of ploughing (coaration) as described by Mr. Seebohm.¹ "The first erw (Welsh acre) ploughed was to go to the ploughman, the second to the irons, the third to the outside sod ox, the fourth to the outside sward ox, the fifth to the driver, the sixth, seventh, eighth, ninth, tenth and eleventh to the other six oxen in order of worth; and lastly the twelfth was the plough erw, for ploughbote, *i.e.* for the maintenance of the wood-work of the plough; and so, it is stated, the tie of twelve erws was completed." Thus the Welsh custom seems to have been that the family that could supply an ox for the team got its share of land. Besides oxen, agricultural implements and food, there was but little property. Furniture was of the scantiest: a carpet, we read in the Old Testament, was put down for a king as a special honour. Artificial light was very little used in primitive times: a few sticks were collected for fuel. The houses of poor men were built of mud or wattle. Most families had hardly advanced beyond the stage in which the Esquimaux

¹ *The English Village Community*, p. 121.

now are. *The head of an Esquimaux family seldom has anything besides his boat, his sledge, his clothing, his weapons and a few tools. Large game like the whale, or game of a rare species, is divided among the community. A well-to-do working man has now more luxuries than a barbarian chief, except indeed the luxury of having troops of retainers to wait upon him. In the present day a man who does not consider himself rich takes about in his portmanteau more articles of property than the primitive villager ever dreamed of using. Even when we have nothing with us that we speak of as luggage, we often go "Christmas tree style," as the soldiers express it, equipped with a variety of commodities—possibly a field-glass, a pocket compass, an aneroid barometer, a pocket lens, a fountain pen, besides such ordinary things as a watch, a cigar case, a pocket book, a pocket knife, an umbrella and not infrequently spectacles. No wonder that the Swiss guide remarked when the Englishman emptied his pockets, "C'est un magasin."*

In India, where commodities were few till quite recent days and where the village or the family owned almost all that there was to be owned, we should not expect freedom of bequest to exist. According to Sir Henry Maine, in Lower Bengal, where the village system had been broken up, the head of a household could during his lifetime distribute the property which he held for the family, but custom did not allow him to let any of it pass out of the family. Probably he was not allowed so to distribute it, even within these limits, at his death by his will and testament. The making of a will, in the modern sense, implies absolute freedom with regard to property. According to English law the testator follows his own caprice and the law lends him its support, a thing undreamed

of in India or other Oriental lands. Such an idea is altogether foreign to an Asiatic's thought and practice.

In the little communities that I have been describing there can hardly have been such a thing as thrift. Thrift is a virtue or, as most socialists would tell us, a vice, that owes its birth, or at any rate its growth and development, to the capitalist system. In the present day we can save money and convert it at need into almost any form of commodity that we choose. But in primitive times a man who wished to save would have had to lay by some particular commodity, such as ploughs, or bows and arrows, or paint for beautifying the human face, or earrings. A superfluity of such things would be of no use and it would not be easy at any future date to convert them into other commodities according to requirement. And what other commodity would he want in large amount? There was no need to make provision for age. His sons would feed him and replenish his scanty wardrobe. The true form of thrift in those days was to rear a family. In time of famine his children and he would together either starve or succeed in warding off starvation. There were, of course, other dangers in plenty, such as attacks by robbers, by neighbouring villages, oppression by unscrupulous Rajahs. But such dangers could not be guarded against by thrift. The only safety lay in the public spirit and the fighting capacity of the members of the village. Thrift on a large scale can only exist when the government is strong and the police efficient. No doubt, misers have existed here and there for long past, but they have had to make saving the business of life and a very precarious business too. They were not, before the days of banks, able to

accumulate large sums without any appreciable risk of loss. Of course a reigning prince in ancient days, or a feudal lord had wealth as wealth was counted then. He spent his wealth mainly in hospitality and maintaining his courtiers and retainers. He lived, not in luxury, but in rough plenty. There were few luxuries to buy and there was no saving with a view to future enjoyment, no postponement of the present to the future.

Village life in India even as it now is, and even in Southern India where Western influences have told upon it most severely, has a very great interest. It is so very unlike anything in the western Europe of to-day. There is, comparatively speaking, so little buying and selling. The cultivator, the miller, the carpenter, the weaver, each works at his craft, satisfies his own requirements and exchanges the surplus with his neighbours. He does not sell for a profit. In Ceylon, the smith, the carpenter, and even the doctor are bound to do services to the head of the village. They may also be called in by their fellow villagers as occasion arises, in which case they are repaid by assistance rendered in the tilling of the plots of the village field that are allotted to them or by a quota of paddy from the payer's threshing floor.¹ When the village has to be fenced in order to keep out wild beasts, or when roads or bridges have to be made, all the villagers work together for the common good.

Some village institutions are less primitive. The village shop in a modern village in Bengal is a conspicuous feature. In a large village there will be three or four shops, usually built of bamboo and mats. The wares for sale are such things as seeds and spices,

¹ Sir J. B. Phear's *Aryan Village in India and Ceylon*.

44 THE VILLAGE COMMUNITY IN INDIA

palm sugar, mustard and various oils, salt, rice, some of it while paddy or unhusked rice, on the walls are tiny paper kites which the Bengali man or child is so fond of flying. All of this is excellently described in Sir John Phear's book.¹ If there were no departure from primitive simplicity but this, there would not be much room for regret. But it is sad to find that there is a village capitalist. When the Bengal ryot has to build a hut or make a plough, or buy a pair of bullocks or seed for sowing or rice for his family, or to pay his rent (for under our system in Bengal he pays rent to a Zemindar or Landholder), then he generally has recourse to the village capitalist. Even in purely agricultural parts of Ceylon, where there is practically no money in use, we find the same thing. There too the same difficulty arises. Paddy runs short, seed, ploughs, oxen are wanted, and these the village capitalist supplies. He obtains no money by way of interest, for money is not to be had, but he receives a certain stipulated share of the produce.²

The question we have now to ask and if possible to answer is, How is it that these villages have held together? Long before the dawn of history these primitive communities took shape. Wave after wave of conquest has swept over India, and yet these villages have remained. Some of them in the north have still much of their ancient communal life, but most of them have decayed, the life has gone out of them. There is something in Western civilisation that is uncongenial to them. Wild conquerors, tyrannical despots have oppressed them, but they have emerged from the storm none the worse, or, if they have been broken up, the scattered elements have come together

¹ *Aryan Village in India and Ceylon*, pp. 26, 27.

² *Ibid.* p. 194.

again and revived the old community, or else there has been a re-grouping and new communities have arisen out of the ashes of the old. War was the very life of these little societies, for it bound their component elements together. It is when there are no common enemies that individuals think of their own interests, the community is forgotten and disintegration begins. Sometimes when there were no wars with neighbouring villages, another external influence that was equally effective took their place. The Rajah within whose domain the village was, would swoop down and demand an exorbitant share of the year's produce by way of land tax. And so it has been in Russia. The tax collector with his knout, or the policeman, has taught the importance of combination and galvanised the Mir into life whenever the communal spirit grew weak. And India in addition to organised enemies and oppressive Rajahs has generally produced a fair crop of marauders. Sir Henry Maine says :¹ "On the whole the conclusion which I have arrived at concerning the village communities is, that during the primitive struggle for existence, they were expansive and elastic bodies, and these properties may be perpetuated in them for any time by bad government. But tolerably good government takes away their absorptive power by its indirect effects and can only restore it by direct interposition." Myself I doubt the efficacy of this "direct interposition." I have never heard of the rejuvenation of a decaying village community through governmental action. On the other hand the stimulating effect of weak or bad government is undeniable. Nearly all authorities who write about these communal villages, whether they have

¹ *Village Communities*, p. 168.

46 THE VILLAGE COMMUNITY IN INDIA

theories or not, yet come out with facts that put it beyond all doubt that they grew and thrived when the central government failed to repress disorder, when private wars were common or when the tax collector made excessive demands which it was sometimes possible by the help of combination to resist. They were in fact little states with an amount of independence that varied with the varying vigour of the ruling princes. It was a case of *imperium in imperio*.

Mr. Tupper writing of the Punjab,¹ says that the roots of the village community "strike their firmest grasp and its stock grows with its greatest vigour in the soil of anarchy and private war, and any exceptional strength of the corporation and unusual degree of union amongst its members may often be directly due, like the endurance of the Arab character, to the dangers of its environment." Nothing can make this point clearer than what Sir H. Maine says about the origin of markets.²

"In order to understand what a market originally was, you must try to picture to yourselves a territory occupied by village communities, self-acting and as yet autonomous, each cultivating its arable land in the middle of its waste, and each, I fear I must add, at perpetual war with its neighbour. But at several points, points probably where the domains of two or three villages converged, there appear to have been spaces of what we should now call neutral ground. These were the Markets. They were probably the only places at which the members of the

¹ *Punjab Customary Law*, vol. ii. p. 24. I quote from Mr. Gomme's *Village Community*, p. 40, where the reference to Mr. Tupper's book is given.

² *Village Community*, p. 192.

different primitive groups met for any purpose except warfare, and the persons who came to them were doubtless at first persons specially empowered to exchange the produce and manufactures of one little village community for those of another." This picture is too charming to require any comment.

Sir John Phear thus describes the atmosphere of war or smouldering feud in which the villages lived: "As villages thickened, causes of quarrel increased: for instance—pasturage grounds—reclamations—profitable jungle tracts—fuel—thatching grass—bamboo clumps, etc. etc.—until at last, it may be said the normal relation between the ahads was one of chronic hostility." The vanquished village forfeited some or all of its land and some or all of its herds.¹

It is possible to imagine small communities saved from disruption by a hostile environment such as I have described, and yet each of them made up of a number of competing units: collectivist in their relation to the outside world, individualist within themselves. It is possible to imagine such a state of things, but a little reflection will show that a competitive economic system is impossible under such conditions. These villagers depended for their safety on mutual aid in their petty wars and in all difficulties and dangers, and, such being the relation of man to man, economic competition was out of the question. You cannot lend money to a brother in arms and then if he does not pay the interest take possession of his land. If he wants some commodity with which you can supply him you manage it by barter instead of getting the highest price possible. Money-lenders and shops in the Indian villages of to-day are a sign that the communal village is becoming an anachronism.

¹ *Aryan Village in India and Ceylon*, p. 242.

48 THE VILLAGE COMMUNITY IN INDIA

True, men who are your neighbours and intimately acquainted are not likely to discard their primitive economics altogether and deal with one another as strangers. Even in an English county town in the present day there is an atmosphere of live-and-let-live rather than of keen competition. A man shrinks from winning a complete victory when he knows and likes the rival who would have to go to the wall. Nevertheless individualism must have wonderful charms for all who have known socialism or even semi-socialism in actual working, and it was only because safety of life and limb, which was the primary consideration, was only to be obtained by becoming a member of a small corporate body that men were willing to endure the drawbacks and the thousand rubs that were inevitable under the semi-socialistic system of the communal villages.

But it must not be supposed that there were in those days no outlets at all for individualism and enterprise. A man might come forward as a religious reformer and found a new sect. In times of war and disorder he might rise to eminence as a soldier in the service of some warlike chief. He might even found a dynasty and rule as an independent or semi-independent potentate. Such careers were possible for exceptional characters. And since war and disorder and the toppling down of old dynasties and the setting up of new were not very unfrequent things, it was most important for the mass of men, who craved only for safety, to form associations and so protect themselves against any highly enterprising individualist who might make his appearance.

It is a belief commonly held that India has been but little changed by British rule. The slumbrous East goes on, so many people think, unruffled, except

on the surface, by European thought and methods. There are a few learned half-Europeanised Hindoos; we are told, but the peasants are as they were before Plassy was fought. After making this bold statement our informant will go on to tell us perhaps that the natives of India are terribly litigious and that they will go to law about any mere trifle. Is it imagined, then, that this litigious disposition has always been observable in them? Is it a trait which showed itself conspicuously in pre-British days? Under native rule was it possible for an individual to prosecute another individual? Sir Henry Maine speaks very definitely on this subject. "If I had to state what for the moment is the greatest change which has come over the people of India and the change which has added most seriously to the difficulty of governing them, I should say it was the growth on all sides of individual legal right; of a right not vested in the total group but in the particular member of it aggrieved, who has become conscious that he may call in the arm of the state to force his neighbours to obey the ascertained rule." The individual has grown strong, defended as he is by the law, corporate life has grown weak. The little communities which thrived in times of disorder and private war have pined and languished under the influence of a strong central government.

The reason for this is not far to seek. Why do men form combinations? It is because they have powerful enemies who have oppressed them and who are likely once more to be oppressive. Instead of going to law on his own account, a villager in ancient times told his fellow villagers how he had been ill-treated and called upon them to stand up for him or it might be their turn next. Or it might

be a wrong which affected his family only—not the families of his co-villagers. In that case he and his kinsmen would miss no chance of prosecuting the blood feud with the family that had done the wrong. Litigation, appeal to a judge, would not be their way of proceeding. Take now another example. For centuries past there have been money-lenders in India, but under us they have grown more powerful than ever before. Under a more primitive régime, a usurer often met with very rough treatment. He lent money, naturally, to many men in the same neighbourhood. Sometimes a whole village might rise in fierce indignation against him and he would be lynched; whereas our government would feel that it was disgraced if a number of borrowers were not compelled by the law to abide by their bond. Law unbending, irresistible, works everywhere to the advantage of the usurer and to the ruin of the small landholder, in spite of the fact that over a great part of India the land is nominally owned by the state. This fact does not save the cultivator from the clutches of rapacious mortgagees. He is in the position of a tenant who cannot be evicted so long as he pays a very moderate rent, which rent is remitted in the case of a failure of crops on irrigated lands, and even on non-irrigated lands in exceptional cases of widespread disaster. In Bengal, however, government has handed over the land in large estates to Zemindars who sublet it in small parcels. In either case, whether he holds his land under the Zemindar or directly under the government, the cultivator has, in the Madras Presidency, and certainly in most parts of the other two presidencies, the fullest freedom to mortgage or sell or lease his occupancy right to whomsoever he pleases. So the money-lender thrives and it often

happens that the cultivators lose their holdings. In this we see the evil of a strong central government. It brings great blessings with it, but they are not unmixed. In China, where the central government is in some matters very weak and often, even where it might be strong, pursues a policy of non-interference, things are in this respect much better. The money-lender cannot exact his pound of flesh.

We see then that under our rule the little communities are in process of disintegration and the individual is trying to stand upon his own legs. The government gives him every encouragement and only too often he loses his balance and tumbles. He squanders his money on litigation or he falls into the hands of the money-lender. The primitive semi-socialism of the old village life was better suited to him than the individualism of modern Europe that we are introducing.

I will now give with some detail a particular example of the working of our strong central government, benevolently paternal and no doubt most beneficial when it first intervenes, but yet as a system perhaps hardly suited to Oriental peoples.

When John Lawrence was still a young man and doing the work of magistrate and collector in the North-West Provinces of British India, he undertook the settlement of a boundary dispute. The village institutions in the district in question had never been meddled with and consequently were in full vigour. When the cattle were numerous, the cowherds were often tempted to encroach on the land of neighbouring villages. "The boundaries," Lord Lawrence says—I quote from *The Life of Lord Lawrence*, by Mr. R. Bosworth Smith—"were often

ill-defined and affrays were consequently very frequent. Perhaps one party, after repeatedly warning off the intruders, attempts to seize their cattle. Instantly the shrill cries of the cowherds convey the alarm and the whole community pour forth like bees from a hive. Men, women and children rush to the rescue, armed with swords, spears, bludgeons—in short, with the first weapon that comes to hand. Their opponents are supported by their own friends and a desperate conflict ensues. The value of the land in question is of little consequence. It may be, and often is, valueless. This is not the question. It is a point of honour and every man is ready to lay down his life rather than give up a single foot of the hereditary soil." Here is patriotism of the Indian type, love of village, not love of country. Such cases were often very difficult for an English magistrate to settle, for each party had recourse to lies and every sort of trick.

In this case several hundred acres of very good land were in dispute. The village which could muster most fighting men had appropriated the whole of the disputed area, and was powerful enough to retain possession. John Lawrence gave them a few days to discuss matters among themselves, now and then looking in upon them to see how they were getting on. At the end of the third day there was no progress to report. They had given up talking and were calmly sitting on their haunches and smoking. John Lawrence then proposed that they should submit the matter to the decision of one person, our village (for one was in British territory, the other beyond it) choosing a member of theirs, or the other village choosing one of ours. No one had any objection to the other village having the choice,

since they each and all felt sure of the loyalty of every man in the village. At length the weaker party consented to choose an umpire and their choice fell on Sahib Sing, son of Bulram. He was to take his only son in his arms and solemnly swear that he would faithfully and truly decide the boundary: that, if he perjured himself, he hoped his son would die. To die without a son to maintain the family worship, to minister to the needs of his departed sire and his ancestors, is considered by Hindoos the greatest misfortune that can befall a man and Sahib Sing was probably chosen because he had but one son. A new difficulty then arose. Sahib Sing's son could not be found—we can well understand why. At length he was discovered and forthwith they all set out towards the disputed boundary, Sahib Sing's mother and wife reviling him and Lawrence "with all the abuse in which the Hindustani language is so fluent." Evidently it had never occurred to them that the umpire would give an honest decision. He was very unwilling to act. He put down his child and said, "I cannot decide the boundary." But at length having determined to save his child's life and sacrifice the land claimed by his tribe, he mounted his horse with his child in front of him. When it became clear that he was going to give a just decision there was a howl of execration from his fellow tribesmen and he would have been pulled from his horse, had not Lawrence ridden up to one of the leading rioters and felled him with a blow from the butt end of his heavy hunting whip. This restored order, and Sahib Sing was allowed to go on his way following the true course of the boundary line. John Lawrence had good reason to be proud of the settlement. He showed

wonderful patience till the time came for a blow and then he struck hard. But could he have foreseen that the intervention of the British government would take the life out of such communal villages, his satisfaction might well have been tinged by a feeling of sadness. In time the people of India may adapt themselves to the individualistic system which the *pax Britannica* fosters, but as yet they are hardly suited for it.

The communal village prospered, as I have shown, under very different conditions from those which obtain in India. War and disorder supplying fuel to the fire of village patriotism, were the very life of them. They existed for mutual defence more than for mutual assistance in husbandry. In some parts of India the land was in early times permanently parcelled out among families. As far as property was concerned the communal system was beginning to break down, but in the matter of war no such tendency could arise. A tribe must fight as a tribe, a village as a village. There must be loyal and hearty co-operation or else tribe or village must be defeated, suffer disintegration and disappear.

It is hardly necessary to point out how Darwinian principles were at work under the social conditions I have been describing. It is true that each man had a certain status gained by no effort of his own. He belonged by birth to a certain class and the idea of rising above this class or sinking below it was hardly likely to occur to him. Born a peasant cultivator, he was likely to die a peasant cultivator. There was none of the competitive struggle between individuals that we are familiar with. A man who thought of bettering himself was a man very much out of the common. But this

does not prove that the average man's life was free from strain and struggle. He might very possibly have to fight in a blood feud between his family and another. He had besides to fight for his village frequently or occasionally. If he showed the white feather or shirked burdens that all were bound to share, he would find himself ousted from the community. There was always war between villages either actually ablaze or smouldering, and this might every now and then mean for an individual villager a struggle for existence. But the most salient feature of that far-away period is that small groups were in constant danger of being wiped out as groups. Though a man was born with a certain status above which he did not try to rise, yet he and his co-villagers had to fight to retain the position that birth had given them. Now that a village has no longer to contend against neighbouring villages, now that the struggle between group and group has come to an end, the inevitable result is an unhealthy stagnation. The population becomes helpless and lifeless, looking to the British Raj whenever great troubles arise, like the Israelites gazing at the brazen serpent. For such stagnation, since a return to the old state of things is out of the question, a vigorous individualism, whatever misery the transition may cause, seems to be the only cure. Such individualism is, of course, utterly foreign to Oriental notions, but so is the orderly uniformity of British government that has put an end to all the lively little eddyings of Indian social life.

The communal village still exists in Russia under the name of the Mir, and unmistakable vestiges of village communities are still to be found in western Europe, notably in Germany and England. I now go on to give a brief account of the Russian Mir.

CHAPTER IV

THE RUSSIAN MIR

THE LEAVEN OF COMPETITION—THE MAN OF ENTERPRISE IN A
VILLAGE COMMUNITY—THEN AND NOW

THE vast population of Russia is mainly a population of peasants, not peasants as we are familiar with them in England — wage-earners that is, with, except in rare cases, nothing but their wages to depend upon—but most of them landholders, with a small plot which they cling to as their sheet anchor in life. They live in communal villages or mirs, which are of deep interest to the student of sociology, since they present some primitive features to which we now rarely find parallels even in India. Strips of the village land are held by the various families that compose the mir and periodically there is a re-division. The arable has not, as in most communal villages elsewhere, been allotted to particular families for good and all.

The villages to a great extent manage their own affairs. They appoint an elder, but he is only *primus inter pares*, and the whole number of the peasants, assembled in the open air, freely debate all important questions as they arise. Till 1893 a re-distribution of land might take place at any time if two-thirds of the voters in the village assembly were in favour

of it. Since 1893 it has been the law of the land that re-distribution may not take place oftener than once in twelve years. But there is still a large field left open for legislation and administration. "The assembly fixes the time for making the hay and the day for commencing the ploughing of the fallow field; it decrees what measures shall be adopted against those who do not punctually pay their taxes; it decides whether a new member shall be admitted to the commune and whether an old member shall be allowed to change his domicile; it gives or withholds permission to erect new buildings on the communal land; it prepares and signs all contracts which the commune makes with one of its own members or with a stranger; it interposes whenever it thinks necessary in the domestic affairs of its members; it elects the elder—as well as the communal tax-collector and watchman, when such offices exist—and the communal herdboys."¹ There is, besides all this, the re-distribution of land whenever the time comes round. But there is a strong tendency to curtail the mir's right of self-government. In 1903 the common responsibility for the taxes was put an end to, and now apparently each family has to satisfy the imperial tax-collector. The central government has, as we should expect, the wish to throttle local independence, a fact we may well regret; but at the same time we cannot but wonder that these little self-governing communities have so long maintained their right to manage their own affairs in a land that we are wont to think of as crushed beneath the steam roller of a despotic bureaucracy.

In 1861 the Russian serfs were emancipated. Till that year they had held land, but had been bound,

¹ See Sir Mackenzie Wallace's standard work, *Russia*, vol. i. p. 166.

like our peasants on the manors of ancient times, to work for their lord a great many days in the year without any remuneration. The Crimean war acted as the Japanese war has acted and brought about a crisis in Russian history. All lovers of freedom rejoiced when they heard that the many millions of Russian peasants were henceforth to be free men, bound to work for no man unless they chose. But legislative reforms do not always bring about the state of things that their originators intend. To begin with, over a great part of Russia the peasants had not enough land given them. They could not get a living out of their allotted strips. They had, therefore, also to work for wages, to work often for the lord whose serfs they had been. Working hard on their own land and also on other men's land as wage-earners, they have still in many cases not been able to earn enough to keep them in anything approaching to comfort. The taxes are overpoweringly heavy and the peasants are frequently in desperate straits. They have recourse to money-lenders. Sometimes the whole commune borrows, sometimes a particular family, the money-lender being often one of their fellow-villagers who has gained comparative wealth. The interest demanded is enormous, and, if the capital is not repaid at the date fixed, huge fines are exacted. Very frequently the peasant who borrows has no hope of earning any money wherewith to pay interest on the sum lent to him. But starvation is staring him and his children in the face. For a long time past, perhaps, they have been living on bread made partly of flour and partly of straw and such things, and so he appeals to the money-lender whom he calls "his benefactor" to help him. He offers him by way of interest and repayment of

capital all he has to offer, viz. his labour for the next year. But probably he is not during the next year able to pay all he owes in the form of labour. And so his indebtedness continues till the year after. Or he has to borrow again on the same terms. And so, at length, he becomes the serf of the money-lender. He works for him without remuneration as the serfs worked for their lords before the emancipation. The old order has changed, no doubt. Serfdom of the old sort is no more—a momentous revolution this! But a new serfdom is arising—that is, if Russian writers describe truly the condition of the peasants. I refer the reader especially to Stepniak's book.¹

It may be that the picture is highly coloured. No doubt the poverty and distress do not extend to all parts of the country. I have been assured by an Englishman who knows the neighbourhood of Odessa well, that the peasants there would be well off but for their drunken habits. But Sir Mackenzie Wallace who is not prone to exaggeration bears out what Stepniak says in substance though not in detail.² The peasant has to pay three kinds of direct taxation: imperial to the central government, local to the Zemstvo, and communal to the mir. According to an estimate which Sir Mackenzie Wallace inclines to accept, the head of a peasant household, after deducting the grain required to feed his family, has to pay into the imperial treasury from 25 to 100 per cent. of his agricultural revenue. When the latter figure happens to be correct, how is he to meet the demands of the Zemstvo and the mir? Summing up Sir Mackenzie Wallace says that though

¹ *The Russian Peasantry.*

² See his *Russia*, vol. ii. p. 218 and on.

some provinces have grown more prosperous, the condition of the peasantry in most parts is far from satisfactory. There is a vast amount of chronic distress, great numbers living on the verge of starvation.

But it is not only the excessive taxation and the extortions of money-lenders that are causing distress. Backward as Russia is, she is being invaded by the modern spirit. The leaven of competition is at work and is breaking up old institutions which are essentially non-competitive. Factories are springing up in the big towns, and peasants go and work in them for the greater part of the year, leaving their wives and families in the village and themselves returning for some weeks or months to get in the harvest. This necessarily puts a strain on the village system. The mir loses some of its best men. At present the process is only in its beginning and it is not to be supposed that manufacturers will always be content to let their men absent themselves for a long period every year. Accordingly one is not surprised to hear that the village occasionally sets one of these factory workers free. He receives news that if he pays a specified sum he need not return.

But factories as yet are few, and if the tendency showed itself only in connection with them, it would work only on a small scale. There are other ways for a peasant to better himself, and everywhere there is arising a village plutocracy and, in painful contrast to it, an ever-increasing, ever more famine-stricken poverty.¹ In fact the competitive system is at work and the birth throes of a higher social system have the inevitable accompaniment of misery.

¹ See *Russia*, vol. ii. p. 201.

To aggravate it there has been a rapid increase of population. In short, it may be possible to mitigate the evils of the new tendency, but it is impossible to dam up the stream.

When a man of energy sees a chance of bettering himself, he will clutch at it, and often from unselfish motives—for the good of his family. The stagnation of the old-fashioned, sleepily industrious village in which he was born was tolerable to him only because he knew of no other kind of life. Stepniak tells of a peasant, Ivan Ermolaëff, who worked like a galley slave all the year round and with such conspicuous success that "he did not suffer from hunger."¹ This splendid reward of unflagging industry makes one think of Prince Kropotkine who speaks of a good meal "as much as they can eat" as the first thing to be striven for by the famished proletariat. To return to Ivan, the hardworking. He grumbles about his fellow villagers and with good reason. When they see him doing well while they do badly, they wish so to arrange matters that he may do badly too. There is forest land belonging to the commune and each man receives part for his own use. Like Tennyson's "North Country Farmer" who "stubbed Thurnaby Waäste" and felt himself in consequence a far greater benefactor to mankind than the parson, who did nothing beyond preaching two sermons a week, Ivan cuts down the timber, grubs up the stumps and transforms his allotment into arable land. Seeing the enlargement of Ivan's holding, his fellow villagers say, "Let us have a re-distribution. The quantity of communal land has increased, let us have a re-distribution." Apparently a man may reckon his bit of forest land as his own to enjoy *till*

¹ *Russian Peasantry*, vol. i. p. 310.

he improves it. But no sooner has he tilled it and raised its value than it becomes communal land. "Twice," he said, "they have played me the same trick. It is useless to try and improve my position." The peasants hate men who rise above their own level of comfort. Have we not here something common to the Old Socialism and the New? The easy-going and unenterprising cannot see why the men of superior energy should rise above their fellows.

The present is a time of transition in Russia. The men of energy are working their way upward, rising out of the class in which they were born. Their fellows are trying to keep alive the old communal life of the village. But what is a regiment good for if you pick out the six best officers and send them to do some special work elsewhere? The village community, being continually robbed of its best men, will tend to become a residuum. We are not surprised to hear that the style of farming is even now miserable. Some day a Russian Arthur Young may arise and recommend wholesale enclosures as a cure for peasant impoverishment. Things are likely to move more rapidly in Russia than India. Patient as the Russian peasant is, he is not so patient as the Indian ryot whose religion teaches the duty of submissiveness. But neither in the India nor in the Russia of to-day do communal villages find a congenial environment. In primitive times they grew up naturally. No man, no family could stand alone. Defence against enemies—rival villages, marauders, tyrannical proprietors, extortionate tax-collectors—was the great motive for combination. The advantages of co-operation in industry supplied a minor motive, for often a family had not the capital in the form of oxen and ploughs for working its land.

Sometimes in the present day there may be combination for mutual defence and a rural policeman may find himself roughly handled by villagers. But it does not seem a very spirited affair and I cannot hear of any lynching of tax-collectors in quite recent years. Books which I have read say nothing about it and those who have lived in Russia doubt its likelihood. The central government is too strong, backed as it is by an army which exists largely for police purposes, and the more eager spirits among the villagers see their way to better themselves without risking their necks.

What I have said of the village communities in India is true of the similar institutions in Russia. They cannot, under existing conditions continue healthy and vigorous: a strong central government is beginning to rob them of their plasticity, and will in time leave them as petrified illustrations of a social phase that has passed away.

If there is a revolution and the great central bureaucracy with its figurehead the Czar is overthrown, then we may depend upon it that many provinces will show signs of unwonted life. The energy of the people will gather round new centres. But it is hardly likely that the village communities will be galvanised into life again. The competitive system is already laying its hand upon them.

CHAPTER V

THE VILLAGE COMMUNITY IN ENGLAND

PRE-ARYAN COMMUNITIES — CHIPPENHAM — THE MANOR —
STAGNATION—THE GERMAN COMMUNAL VILLAGE—LIFE
IN AN ENGLISH MANOR VILLAGE—ORIGIN AND LONG LIFE
OF THE MANOR—GRADUAL DISAPPEARANCE OF SERFDOM—
SURVIVAL OF CLAN FEUDS—THE CAUSE OF THE DECAY OF
THE MANOR.

AS in India so in Europe we find that village communities thrive in times of war and disorder. A man who can act and move as he pleases prefers to live as an individualist; a man whose activities are hampered by enemies joins an association. Long before the Aryans made their way to Britain, there were little communities living on the hills, on the chalk downs of Wiltshire, Dorsetshire and Sussex, on the Chilterns, in Bedfordshire, in Cambridgeshire, in Northumberland, in Wales, in Scotland. In all these places, and in others too, have been found on the hills numerous terraces, the record that early peoples have left of their system of cultivation. In some cases pottery and other relics have been discovered close by. But as we are considering the conditions under which associations grew up, it is of more interest to us to note that the towns or villages adjoining these terraces seem always to have been fortified. On Greenshaw¹

¹ Gomme's *Village Community*, p. 92.

Hill in Northumberland, the hut circles and other enclosures are surrounded and defended by two strong walls. Among hill tribes in India in the present day, for instance among the Angamis Nagas¹ there are communities living in the same style. They have their terraces constructed with great skill on the hill sides. The villages stand on the very tops of the hills and are strongly fortified with stockades, deep ditches and massive stone walls. "The approaches to the villages are tortuous covered ways only wide enough to allow of the passage of one man at a time. These lead to gates where a sentry is posted day and night when the clans are at feud."² "The cause of all this defensive work is a well-marked feature of early tribal history, when each tribe was composed of heterogeneous families—namely, the blood feud between clans." According to Mr. Gomme it comparatively seldom happens that village is at war with village, but the village is split up into hostile camps, one of the component clans being at war with another. On Yeavinger Bell, one of the Cheviot hills, where there are evidences of terrace cultivation, there is a guarded entrance very like what we find in Naga villages. The entrance to one fortlet is divided into two by a large upright stone in the centre, and in the thickness of the wall to the right there is a chamber corresponding to the Naga sentinel chamber. It always happens that either clan or village is at war. One party may wish to get along quietly with their tillage, but their neighbours compel them to put aside the plough or the spade and seize the sword or the bow.

When we descend to the times of the Saxons we find everywhere in England manors established,

¹ *Ibid.* p. 98.

² *Ibid.* p. 99.

village communities, that is, but no longer free. Each manor is on the estate of a lord, and the members of the community are his dependents, each of them holding a certain amount of land on condition that he renders certain services. But there are some survivals of free communities quite independent of any lord. Notable among these is Chippenham.¹ In Domesday, Chippenham is called a "manerium," but the king was lord of the manor and practically it was a free village community.

The extent to which self-government was carried is shown by the fact that before the reign of Queen Mary, Chippenham, under the jurisdiction of the Bailiff, its elected representative, had not only a pillory and a whipping post but a prison, and, it is said, even a gallows. In 1554, Queen Mary granted to Chippenham a charter conferring on it privileges and lands. It happened very conveniently that a nobleman, Lord Hungerford, whose estates were close by, had shortly before been accused of treason and had lost his head on Tower Hill. No wonder, for he had called Henry VIII. a heretic, and had had experiments in alchemy made with a view to discovering how soon the king would die. His lands were confiscated, and out of them Queen Mary made grants to the borough of Chippenham, as it is called in the charter. Long before that it was a borough by prescription and governed by a Bailiff and elected burgesses. Immediately after the granting of the charter, the Bailiff and twelve burgesses, on this occasion nominated by the queen, made ordinances and decrees. Among these were the following regulations: "If an inhabitant refuses to assist the Bailiff in maintaining order, he shall lose his freedom. No person

¹ See *The History of Chippenham*, by the Rev. J. J. Daniell.

shall admit 'foreigners' or receive apprentices without leave of the Bailiff. Any baker selling false weight of bread shall for the first offence be fined 3s 4d for the second 6s 8d ; for the third shall be punished in the pillory. Every inhabitant shall have in his house a club and shall come forth with the same when need shall require ; and all persons drawing a weapon to strike a townsman or who shall call him by an opprobrious name, shall be punished in the open stocks. Any butcher, baker, brewer, poulterer, costermonger or fruiterer who shall conspire not to sell victuals but at certain prices, shall forfeit £10 or suffer imprisonment twenty days on bread and water. If any burgess behave contemptuously to the Bailiff or call him knave or such like, he shall be debarred all benefit of the borough lands. No man without special license shall kill or sell or dress or eat any flesh in time of Lent. Searchers of leather shall be appointed to make a trial of shoes and to see that all manner of leather be sufficiently tanned, wrought and dyed." ¹ From these regulations we gather that the Bailiff and the burgesses tried to do what political economy says is impossible, namely, to keep down prices, instead of leaving them to the higgling of the market ; that they were extremely exclusive and wished to keep out all "foreigners," i.e. men from other parts of the country ; that they tried to prevent the use of bad leather by shoemakers ; that they interfered with matters of religion—no butcher's meat in Lent ! Queen Mary, perhaps, herself suggested this when she granted the charter. In a footnote the author of *The History of Chippenham* says, "Householders were again and again disfranchised and debarred, on being convicted, for opprobrious words

¹ See *The History of Chippenham*, pp. 76, 77.

68 THE VILLAGE COMMUNITY IN ENGLAND

spoken against the Bailiff and fraternity, by calling them knaves and other scurrilous language." Life is not quite harmonious within these little self-governing communities. Indeed, some of the regulations must have been most galling, and it is no wonder that many of them kicked against them in spite of the fact that there was, besides the pillory, a whipping post and also a borough gaol under the Town Hall.

We now leave Chippenham. We have been studying what was quite exceptional in England, a self-governing little community, and we must go on to consider the normal English villages that had ceased to be self-governing and taken the form of a manor.

An ordinary English manor was, as I have said, a village community living on the land of a lord. In the time of Domesday the manorial system was established in all parts of England, and frequent reference is made to customs as having existed in the time of Edward the Confessor. The land of the manor was divided into arable, meadow land, and waste. In very early times the arable had been re-distributed annually or at longer intervals, but the system must have proved very galling since there would be little motive for making improvements if other men were to reap the fruit of them. Hence it came about that certain strips were handed over to certain families and remained in their possession. But they were not owned absolutely by these families. They could not sell the land, and they had to sow the crops that others sowed, leaving a certain proportion of their land fallow. The arable was, as a rule, divided into three fields. In a particular year one would be sown with wheat, another with oats or barley, and the third would be left fallow. A large team of oxen was used for ploughing, often as many as eight. No one tenant

owned so many, and the team and the plough were contributed by various tenants. Mr. Seebohm holds that in primitive times the land was distributed among families according to the number of oxen each supplied, for which theory I have already quoted the Welsh evidence.¹ This system would suit a tribe whose agriculture was of the most primitive kind, and whose land was annually re-distributed; but it could not have been maintained in a settled village community where the strips of land remained permanently as the holdings of particular families. Each family had strips in all three of the arable fields, otherwise all of its land might have remained fallow during some years, or they might have had to grow all wheat and no oats or barley. The strips were bounded by narrow balks of grass. When the corn had been cut and gathered, the land was used for grazing, as the fallow land was during the whole year. This system necessitated a good deal of temporary fencing to protect the crops. The meadow land on which hay was grown continued to be re-distributed annually long after the arable had been permanently allotted. Indeed, not many years ago, there were examples in Great Britain of such re-distributions. Besides the arable and the meadow land there was the waste which was common land for grazing purposes, and the lord of the manor had his own demesne which might be entirely separate and enclosed or in the form of strips in the common fields.

There were two principal kinds of tenants. To begin with, there were the free tenants who paid a quit rent, not the competitive rent of modern times but a payment in place of services due. It might be heavy or light, but it remained unchanged. The

¹ See Chap. III. p. 40.

free tenants had to do "boon" services for the lord, *i.e.* to work for him at harvest time or occasionally at other times when he had special need of their services. Besides the free tenants, there were serfs or villeins, who had to render weekly services—so many days a week—throughout the year besides boon services on occasion. The latter were the real hardship. Just when the serf was longing to devote all his energies to the cutting and hauling of his own crop, the lord would request his services, and it was a request that admitted of no refusal. Labour was scarce. The lord depended on the landholders on his own manor and he was not likely to let his dues fall into abeyance through neglect to claim them.

The lord had his duties as well as his rights. He provided a barn for threshing, a mill for grinding the corn. Sometimes he supplied horses and carts for the harvest. But these services on his part, unlike those of the villeins to him, were not rendered gratis. He exacted fees for them. He saw that bridges and roads were repaired, as far as roads did get repaired in those days. He saw to the fencing and ditching and to the care of dykes for draining the land of the manor. The services exacted from the villeins were sometimes for such public purposes as these. And if he was in some cases the oppressor of his dependents the lord was also their protector. It was an age in which the weak had much need of protection, and if the tenants on the manor had to do servile tasks, on the other hand they were relieved of much responsibility. It was humiliating to be the property of a great man but it was a comfort to be safe under his ægis.

The system had its advantages and disadvantages. It was hard to have to work for nothing. Hard not to be able to sell an ox or marry off a daughter without

the lord's consent. But the serf had at any rate the advantage of having his fellow serfs about him, suffering and grumbling about the same hardships. Moreover he had grown up under the system, and, no doubt, looked upon it as inevitable. He was like a canary born in a cage rather than a captured skylark. Moreover his position tended to improve. Even before the time of the Black Death the services had in many cases been commuted for money payments, and thus the serfs were on the way to become free men. At no period in the history of our country was serfdom absolute slavery. The lord could never claim the whole of the time and labour of his dependents and they were able gradually to reduce his claim. A recent investigator¹ says: "We never hear of a manor governed by the single will of the owner. The chief traits of customary self-government are repeated over and over again . . . we have, in fact, to do with local forms of organisation, not with private ownership." But though the lord seldom or never dealt with the manor as a privately owned estate that he could treat as he chose, yet still his rule was no doubt often oppressive and, particularly, in connection with the waste land. Out of this he could carve new holdings, and these new holdings meant so much reduction of the common grazing land. Moreover he presided in the manor court, where disputes were settled and all the legal business of the manor carried on. Here, no doubt, there was opportunity for injustice and often his decisions must have evoked curses not loud but deep.

The manor was a very self-sufficient little institution. There was not much commerce or intercourse of any kind with people living at any distance, though Professor Thorold Rogers says there was more in

¹ P. Vinogradoff, *The Growth of the Manor*.

72 THE VILLAGE COMMUNITY IN ENGLAND

the palmy days of the manor than there was during later periods. However that may be, the village was very isolated and very self-sufficient. It had its own blacksmith and carpenter who were paid for their work, not by individuals for particular jobs, but by holdings of the village land. It was the blacksmith's duty to keep the ironwork of the village ploughs in repair. The carpenter was responsible for the woodwork. Cloth was woven and shoes were made in the village. Barter must have been the common mode of purchase. Rarely or never was there a sale for profit. There was no village shop.

To our modern notions, perhaps, the worst point about these little communities is the miserable style of farming which resulted. Thirty bushels per acre is a fair crop of wheat now. At the time under consideration the yield was not much more than a quarter of this. It was the economic failure of the open field system which made Arthur Young so indignant—that was towards the close of the eighteenth century. The way to make the country wealthy, he and others argued, was to do away with the open fields—to enclose all land. "Property turns sand into gold," he said. And it does turn sand into gold. Limit the argument to economics and Arthur Young is victorious at every point. But when the manor was most thriving, in the 13th and 14th centuries, wealth did not count for so much as it does now. Men's wants were very few.

Even the mansion of the lord of the manor was an unfurnished, comfortless place. There was a long table on trestles, a few forms or stools, a long bench cushioned with straw or wool, one or two chairs of wood or with seats of straw, a chest or two for linen. Though glass was not very dear it was rarely used.

The dormitory contained a rude bed, but rarely sheets or blankets. The gown of the day was the coverlet by night.¹ The huts of the tenants, built mostly of mud and wattle, were good enough for their unprogressive occupants. Even under our individualistic system the average man is very conservative, but he is a go-ahead reformer compared with the average member of a small community living a semi-socialistic life. The only thing that can rouse such champion conservatives is an attack from without that threatens the existence of their community. Nothing short of this wakes them from their lethargy.

The yeoman freeholder had great advantages. He had more liberty, was more of an individualist, being a big enough man—though none too big—to stand alone. Some neighbouring baron might discover that he had no title-deeds—his title being older than such documents—and try to oust him from his land. But the yeoman class had a definite legal status, had their duties and their rights. They were so useful as soldiers that the law must needs protect them, and so not a few of them held their own, being the king's men, not the men of any great feudal lord.

Some of the laws or customs that had the force of law in German communal villages help us to picture to ourselves the life of the villagers. I take them from von Maurer's book.² Fish and crabs (does this mean crayfish?) caught within the village bounds might not be offered for sale outside until they had first been offered for sale to the members of the village. Fruit grown and animals reared within the village territory must be consumed within the limits of the

¹ See Prof. Thorold Rogers' *History of Agriculture and Prices*, vol. i. p. 13.

² *Geschichte der Dorfverfassung in Deutschland*.

village. Swine fatted there must not be sold outside. Wine made from grapes grown on the land of the village must be drunk in the village, and, as no one might privately obtain wine from outside, an innkeeper was bound to retail only village-made liquor. Even wild fruits must not be disposed of to strangers. To save the village timber, no new house or farm, no new building of any kind might be built without the permission of the community. In some cases there were belonging to the community shepherds' huts, smithies, bakeries, mills, brick-kilns, wells. Regulating all this there were multitudes of officials. There were trade police, building police, beer police to regulate the brewing and retailing of summer and winter beer, and police to supervise the butchers. We must not suppose that these officials did nothing else. They were producers like the rest and undertook these public duties in addition. In time all the police work passed out of the hands of the community into those of the over-lord.

The German village community (for, apparently, this is intended by von Maurer to be typical) seems to have been on a grander scale than the ordinary English manor. It reminds us of the glories of Chippenham. But even the splendours of this German village community would have little charm for anyone who valued freedom. The extraordinary multiplication of regulations and supervising authorities we may be inclined to laugh at as something peculiarly German and peculiarly un-English. I am not sure that this would be a true view of the case. No sooner is free competition forbidden than a perfect network of restrictions becomes necessary. Each new rule creates the need of another. Individuals manage to slip through the network, so that the meshes have to be

made smaller, and unless the many laws are to become so many dead letters, the police must be numerous and efficient. It is worth noting that the over-lords seem to have been more successful in managing the police work than the communities themselves. A system which makes one and the same man the supervisor in one department and the supervised in another cannot be easy to work. The rule of the lord of the manor in England was, no doubt, often oppressive, but it must have saved the villagers from a world of worry. Self-government for a small community is, of course, highly educative. But to anyone who did not enjoy being perpetually baulked by his own peers, by his daily associates, it would bring vexations and disappointments multitudinous and intolerable.

Let us return from the magnificence of the German village to the typical English manor. Life there must have been terribly humdrum, only, probably, it never occurred to anyone to expect variety. It is true there were the excitements of the Manor court. Everybody knew everybody and consequently took an interest in every case that came up for decision. There were grievances to talk over—the prospects of the harvest (if it failed, there would be the excitement of a famine or something approaching to it): the weather, a very practical question: too much boon work; or the lord had appropriated some of the waste, the common grazing land. Life was not without interest, but the long cold winters must have been a trial even to people who did not expect to get a keen enjoyment out of life. Fuel might or might not be plentiful. But there was certainly little or no artificial light to be had by the poor. Candles were things for costly offerings at shrines, not for the pleasure of peasants. There was no tobacco. How

were the long evenings spent? A good story-teller must have been worth his weight in gold. But from contrast, how delightful the spring must have been! If poets, just for one winter, were to live in a hut of mud and wattle, with no windows or, supposing there were any, windows without glass, and with no artificial light in any form, perhaps their odes to spring would express a more genuine enthusiasm than they do. But this simple humdrum life involved a far sterner struggle for existence than the rackets life of modern times that we speak of as so trying. Every child had to pass through an ordeal. Neither for it nor for its mother was life easy. There was cold to be endured and dirt, and often very poor food, or the absence of food if the harvest had been bad. Epidemics, owing to the isolation of the village, were probably not very common, but when they came they wrought havoc. Even very small ailments were serious to people who had no notion how to deal with them. There was little chance for the weakly. Those who could stand this life at its hardest must have had great physical stamina, and when times were good they must have had an exuberance of vitality. When, after long months of semi-starvation, a good harvest brought ample meals once more, what rejoicings there must have been! The tendency of modern civilisation is to remove these crises, and so, no doubt, to produce for the prosperous a more equable happiness. But they have not so often the pleasure that escape from a great misery brings.

The manorial system presents us with many interesting questions for discussion. How did it originate? Why did the free village community pass away and give rise to a system that is so far from ideal? What were the conditions that enabled the manors to live

and thrive so long? What caused them to lose their vitality and finally to disappear? All these questions bear upon the subject of this book.

The origin of the manorial system is still matter of controversy. Certainly manors were thickly scattered all over England before the Norman conquest. It was not the Normans, therefore, who reduced the village community to a servile or half servile condition. Mr. Seebohm traces the change to the Romans. The manor house, according to him, was the Roman villa. The lord of the manor was the successor of the Roman grandee with his serfs or slaves living hard by and working his farm. According to the other view, the manor arose naturally in a time of disorder. In such times it was very difficult for a poor man to defend himself and his family, and so the weak became the dependents of the strong. A host of poor men found shelter beneath the ægis of some powerful baron. This went on largely, it is believed, during the wars against the Danes, and there is no doubt we can account in this way for the village community losing its freedom. It was only natural that from the soil of anarchy should grow a great crop of feudal lords. They had troops of retainers who fought with them against the Danes or in other wars, and the poor freeman had often no choice but to become the servile dependent of one of these mighty men. But it is practically certain that by no means all the serfs were of Saxon origin. The conquered Britons were not driven out. To anyone who argues that they were all either expelled or massacred, we may reply in the style of Dr. Johnson, "Sir, such things do not occur." But, this being so, why has the British language so completely disappeared? Why have we very few or no Celtic words naturalised

in the English tongue? This is a formidable argument, though it cannot be set against the evidence that the English nation are by no means a pure Teutonic stock. We know that conquering races, when they do their work thoroughly, do force their language on the conquered. The language of the Singhalese (the people of Ceylon that is) is undoubtedly a form of Aryan. But the Singhalese people have the appearance (so Sir John Phear says) "of being the result of at least an intermixture of an Aryan with some other yellow tinted, coarsely built, ethnic element."¹ Moreover their legs have pronounced calves like those of all Mongolians, and unlike those of the Aryans of India. When, not long ago, detachments of Indian troops representing various races were encamped at Hampton Court, it was noticeable that the Ghurkas alone—and they spring from a Mongol stock—had calves to boast of. In Europe and Asia the people we are apt to count as pure Aryans, because of their language, are very largely of non-Aryan blood. In England, though the Saxons were everywhere dominant, yet British and even non-Aryan stocks were undoubtedly represented in town and village. And as to the manorial system, we are at liberty, as I have said, to hold that amid the hurly-burly of war and disorder the manor arose, as a natural growth, out of the village community and that it has no close connection with the Roman occupation of Britain. In time of difficulty, a republic, small or great, is at a disadvantage. It has to submit itself to a dictator—an important point to bear in mind when we come to consider what limits there are to a modern democratic government's capacity to manage affairs.

¹ *Aryan Village in India and Ceylon*, p. 177.

If the question be asked why the dictator, submitted to in an emergency, became a permanent institution, we may answer that he—the lord of the manor to wit—was supported by the central government, which found it much simpler to deal with an individual than with a village parliament represented by an elected headman. In India even Akbar and his successors did not rule with so strong a hand as our Norman and Plantagenet kings. The growth of a strong central government has been prevented by successful invasions recurring at intervals. Waves of conquerors from the north have swept over the country, and probably this accounts for the fact that nowhere in India has the feudal system been so fully developed as in Europe.

We must now proceed to another question : What made the manor so lasting an institution ? Why for a good many centuries did it not give place to a more individualistic form of society ? It began in a time of disorder, and though when the Normans came England had stark rulers who made the king's justice feared, there was no such reign of law and order as we are familiar with, when man or woman may walk along the country roads without fear of molestation. The saying that in the " Conqueror's reign any man might travel over the kingdom with his bosom full of gold " must be taken only to mean that the law was much stronger than it had ever been before. Without a ubiquitous police—and nothing of the kind existed or could possibly have existed in the Middle Ages—the law was bound to be weak in out-of-the-way places. It was hard to put it in motion, and when set in motion it moved slowly. It may be thought that the police force nowadays can hardly be described as ubiquitous when in most country

villages it has not a single representative. But we must remember the interview between the great fighting captain Talbot and a French lady who wished to see the man who struck terror into her countrymen. She was much surprised at his small stature and thought him, judging by his appearance, by no means formidable. But he blew his horn and in there rushed a whole troop of his followers, men ready to go anywhere and do anything.¹ Practically by the aid of the telegraph and the telephone the police are ubiquitous, for men can be mustered at very short notice at any point where they are required. Not many years back it frequently happened that a man would "squat" on a bit of unoccupied ground by the roadside, build himself a cottage and in time get a prescriptive right to a bit of land round it. Such a thing could not well happen in the Middle Ages. The squatter was likely to be robbed, or killed and robbed, as soon as he was worth robbing and killing. He must join some association, find friends and allies who would stand by him in trouble. Such friends he found when he belonged to a manor. Living with his fellow villagers he was shielded from thieves and vagrant men, and the lord of the manor protected him for the same reason that he protected his own cattle. He was so much property, though a form of property that soon came to have rights and privileges. It was an age in which no man could live and thrive without having a definite legal status. He must have his place in the great feudal organisation and be the man of some bigger man or he must belong to a guild of craftsmen or have a yeoman's freehold or be a tenant on a manorial estate. If he had no status, if he had nothing to depend upon but his work as a journeyman

¹ *Henry VI.* Part i. A. ii. 3.

labourer, his lot cannot have been altogether a happy one.

A villein might possibly run from his lord, make his way to a town and try his luck there. But in the thirteenth century most towns were but big villages, nearly all the inhabitants of which were simply cultivators. There were at the time of Domesday only six towns in England that deserved the name—London, York, Winchester, Bristol, Norwich and Lincoln—and in the thirteenth century there were few, if any, others, that could claim to rank with them. A runaway villein, if he could get to one of these few big towns, might become an apprentice to a master craftsman belonging to a guild, and after a time himself get admitted as a guildsman, have apprentices working for him and perhaps journeymen, become in fact half capitalist, half artisan. Here was a grand possibility. But though the guilds did not become very narrow and exclusive—insisting on a very high entrance fee and even limiting membership to the sons of members—till the fifteenth century, yet it was not easy for a villein to gain admittance. All strangers or “foreigners” as they were called if they came from another part of the country, were looked upon with suspicion. They were forbidden to engage in retail trade at all. In fact nearly all patriotic feeling had the town for the object of its devotion, and any attempt by an outsider to gain a share of the privileges enjoyed by the burgesses was considered an act of aggression. Still there were gaps through this ring fence of exclusiveness. The kings were in favour of a more national as opposed to a purely municipal policy. In charters granted to merchant guilds we find the stipulation that when a runaway villein had succeeded in reaching a town

82 THE VILLAGE COMMUNITY IN ENGLAND

and had belonged to a guild for a year and a day without being claimed, then his lord could no longer claim him.¹ But perhaps the greatest impediment of all to free movement lay in the narrowness of the horizon of a villein who had been born in a manor village and knew nothing of the world beyond. To run from his lord and seek his fortune elsewhere was a leap in the dark that he was seldom adventurous enough to take.

The serfs might well think that there was more to be gained by combined effort to improve their position than by running away. If they held together and importuned and worried their lord, or tried the effect of what money they could raise, they were likely to obtain some valuable concessions, some commutation of the old servile dues. The Church clung to its rights as tenaciously as any feudal baron, yet abbots and bishops gradually emancipated their dependents. The story of St. Edmondsbury is admirably sketched by J. R. Green.² Anyone who settled within the abbot's domain had to plough so much land for him, to fold his sheep and to catch him eels. Land and water were his. The townsmen had to pay for the pasture of their cattle on the common. The abbot could, if he chose, forbid the fullers to use the stream, he could seize their looms if they did not yield him his dues. In shop and stall, only after the abbot's buyers had had the pick of the market, were other persons allowed to purchase. The abbot was, in fact, an autocrat. Nevertheless the system gradually lost its servile character. The eel fishing was commuted for an easy rent. The oppressive exactions

¹ See *Landmarks in English Industrial History*, p. 51—an excellent book by G. J. Warner.

² See his *Short History of the English People*, p. 90.

from the fullers, such as the toll of flax, "simply disappeared." "By usage, by omission, by downright forgetfulness, here by a little struggle, there by a present to a needy abbot, the town won freedom." At Leicester the burgesses bought from the earl, their lord, the right to trial by jury in place of trial by combat. Sometimes the fighting capacity of the burgesses counted for a great deal. We have only to read Scott's *Fair Maid of Perth* in order to learn that they might have on occasion to fight for their rights if they were not to lose them altogether.

Mr. Gomme holds that in English village communities there long lingered a belief in a common descent. The members of the community were united by the tie of consanguinity real or imaginary. They were in fact clans that had formed permanent settlements. Often there is evidence that the village was an aggregation of clans. Whether his theory is generally applicable, I am unable to judge. But he gives evidence, some of it indisputable, some of it of doubtful validity, of the survival of clan feuds in quite recent times. Only a little more than a hundred years ago the people of Inverness had their windows guarded by very strong shutters. "In their clan quarrels several had been shot from the opposite side of the way."¹ At Witney, in Oxfordshire, there was an annual fight between the up-town and down-town boys. At Derby there was a football match, of the nature of a fight, between the parishes of All Saints and St. Peter. At Chester-le-Street and at Alnwick there was the same kind of thing. At Ludlow as late as 1846, there was annually a great tug-of-war between the Corve-street ward and the Broad-street ward.

¹ See *The Village Community*, by G. L. Gomme.

84 THE VILLAGE COMMUNITY IN ENGLAND

Mr. Gomme's theory of the clan origin of all these contests cannot be accepted without hesitation. We need not seek so far afield for the origin of a football match between two quarters of a town, and it is quite conceivable that very strong feeling might grow up in connection with it, as it very commonly does between schoolboys who belong to different houses. Still clan feuds did die hard and in some cases Mr. Gomme's explanation almost certainly holds good. Of other cases we must say "not proven." One thing, however, admits of no controversy: small primitive communities are very bellicose and are constantly at war with their neighbours. When peace overspreads the land they do not thrive so well. Whether vestiges of their petty wars remain to interest antiquarians is a minor question.

We are now getting to the last important question to which we were, if possible, to find an answer:—What caused the manors to lose their vitality and disappear? I have already, to a great extent, answered this question in speaking of the decay of the village communities in Russia. When the villeins found that good wages were to be had elsewhere, they were glad to make a bolt for it, to say good-bye to the manor and its vexatious dues and restrictions. The Black Death, which had so great an influence on our economic history that I must devote a special chapter to it, set the process working fast and furiously. It gave a violent shock to the old semi-socialism of the manor and hastened the birth of an infant that was later to grow to a giant, Individualism, the loved or the detested

When at a later date the central government grew stronger and through improved means of communication was able more promptly to make itself felt, it

was inevitable that local independence should find itself restricted. There was a tendency to centralisation and corresponding weakening of minor local centres. A central authority must perpetually be intervening. Nowadays a representative of the state thousands of miles away is often treated as a marionette to be moved by means of a telegraph wire. Since this is the usual tendency of strong centralised governments, Chippenham, of course, had its wings clipped. It lost its power of dealing freely with culprits as of old. Parliament was not likely to tolerate strange vagaries in local legislation, and Chippenham was certainly not without its eccentricities. But while the central authority tended more and more to shackle the local authority, it at the same time put the individual in a position of greater freedom. There was no need for him any longer to belong to a small community. Many of the most spirited of the villagers would make up their minds no longer to be hampered by an antiquated system of cultivation, and by the supineness and the prejudices of their fellows. And so the growing efficiency of government continued the work that the Black Death had begun.

CHAPTER VI

THE BLACK DEATH AND ITS CONSEQUENCES

THE MORTALITY—ECONOMIC CHANGES—THE STATUTE OF
LABOURERS—WAT TYLER—BIRTH OF THE COMPETITIVE
SYSTEM

IN the East it not unfrequently happens that calamities that bring death or misery to millions of human beings pass away without causing any change in the organisation of society. The most terrible scourges—wars, plagues or famines—sweep over the land, spreading devastation. Then the natural recuperative powers of the human race and of all living things begin to assert themselves. Smiling crops are seen once more, and children grow up to fill the places of the dead. The change itself produces content and hopefulness, and the world seems a paradise to men who have just emerged from a slough of misery: the present cannot but seem good in comparison with the hideous past. As soon as the cataclysm is over men get into the old grooves again. Custom, that under normal conditions changes only very slowly, is shattered by the devastation for a time. But it soon revives when the storm has swept over and once more society recrystallises in the same old shapes. Such is the way of the slumbrous East.

But in Europe it is seldom the case that a great calamity comes and goes without leaving any lasting

traces. The Black Death made a great and permanent change in the economic conditions under which men lived, and in their social relations. The Crimean War led to the emancipation of the Russian serfs. As the result of the Japanese War, Russia has at least the hope of constitutional government. Why this startling difference between the East and the West? But this is too wide a question to discuss adequately here and we must be content with the most meagre treatment of it. To begin with, we must remember the great changes that some centuries back had come over the village communities in Europe. The free peasants had become the serfs of the lord of the manor. They could not be called slaves, yet they were not free men. No doubt they gained much by living in communities, each family with its share of land, but it is equally beyond doubt that the manorial system was oppressive and galling. Naturally, therefore, when the peasants saw a chance of getting rid of it, many of them were not slow to seize their opportunity. In India, in times past, when some calamity or other has broken up the communal villages, the first impulse of the scattered units has been to gather together again and resuscitate the old community, or, failing that, to unite with remnants of other villages, other helpless atoms, and found a new one. But no English peasants, once rid of the manor, would ever have dreamed of founding a new one even if such a thing had been possible. Even when distress came upon the labouring class and men were whipped for idling though there was no work to be had, there was no attempt to re-establish them in manors. The fact was that the manor had not so much life in it as the free village community, and the great blow which the Black Death dealt it left it

88 THE BLACK DEATH—ITS CONSEQUENCES

permanently weaker. Why the manor system arose in Europe, what advantages it had, why it proved but a phase of social evolution, I have already tried to explain.¹ To pursue the inquiry to its ultimate conclusion would carry us too far. We should have to discuss why it is that Europeans are so different from Asiatics; whether the reason that Europe has always been the land of progress is that its many peninsulas and the arms of the sea stretching far inland facilitate intercourse and prevent stagnation, or whether it is that some races are from their very nature progressive while others are content to maintain the customs of their remote ancestors.

From such far-reaching speculations let us return to the Black Death. The estimates of the mortality caused by it vary from one third to one half of the whole population. The rolls of the manor courts record all deaths so that a fairly correct calculation may be made. In Hunstanton out of 172 tenants of the manor 74 died and left no male heirs; 19 of them, no heir at all. In the diocese of Norwich two-thirds of the parish clergy died. In London four new wards of the Goldsmiths' Company were appointed in one year.²

On manors numbers of holdings were left vacant, since no tenants could be found. The lord's own demesne had been cultivated by means of the customary services of the serfs or by hired labour, the where-withal to pay for it being supplied by tenants who in place of services paid a sum of money annually. Such commutations had been very common. In cases where the tenant survived the Black Death

¹ See pp. 84, 85.

² I take these figures from Mr. Warner's *Landmarks in English Commercial History*, pp. 98, 99.

the lord received his dues as before. But though the sum he received was the same in cash, yet its value to him, its purchasing power, was much less. The losses of the lord of the manor were, therefore, enormous. First there was a dead loss in the case of the tenants who died and left no heirs. Secondly the surviving tenants paid him what was practically of much less value to him than formerly, since what he wished to buy, namely labour, had gone up in price, had gone up with a bound. The tenants themselves did not suffer since they depended on their own labour and that of their families. Under these circumstances there was a very hard time for the lords and a very good time for the labourers. The principle which Malthus expounded more than 400 years later began to work.¹ Scarcity of labour meant prosperity for the labourers. Their numbers had been greatly reduced, though not, as Malthus recommended, by their own providence and self-restraint. Everywhere employers were clamouring for workmen. The labourer was master of the situation: he had only to let the lords bid against one another. In these exciting times the serfs gave up their sedentary habits, and wandered, at first without let or hindrance, about the country, getting work when and where they wanted and living on the fat of the land. Before the Black Death provisions had been very plentiful and very cheap. Sheep were one shilling apiece. meat cost not more than one farthing a pound, nevertheless meat was dearer than wheat, and a Spanish ambassador remarked, "These English live in houses built of sticks and mud but therein they fare as plenteously as lords." The Black Death sent wages up with a bound but did not raise the price of food.

¹ The Black Death raged in the years 1348, 1349.

Wheat, it is true, went up for a few years, but then fell. The last twenty years of the fourteenth century were a time of singular abundance. Twopence would buy eight pounds of meat at the old prices and probably even more at the new. And a woman could obtain for her work, instead of a penny, as much as twopence or even threepence a day.¹

It was not to be expected that the lords of the manors would be philosophic enough or poor-spirited enough to submit without a struggle to impoverishment or ruin. "Kismet" is not a European word nor has a European the phlegmatic temper of the Oriental, who says "Kismet" and calmly lets his house be burnt to the ground. The commutations were the cause of great part of the trouble. The money payments in place of services were, now that the price of labour had gone up, much lower, so the lords argued, than they should be. Therefore services must be resumed in place of payments. The lord's bailiff would try all sorts of means to prove that the substitution of the money payment had only been a temporary arrangement. In some cases this may have succeeded, but probably not in many. The great thing was to find tenants in place of the free tenants who had died, and somehow to get the demesne land cultivated. A system, that had been tried before but had not been common now came into vogue in many places. Tenants were put in who had supplied to them all the cattle and sheep that were wanted to stock their farms. On the stock supplied they paid rent as well as on the land. But before very long the tenants were able to save and buy stock for themselves. It was an economic rent that they paid, not

¹ See *A History of Agriculture and Prices in England*, by Prof. Thorold Rogers, vol. i., especially pp. 25 and 57.

the quit rent that had been paid by their predecessors, and that had represented commuted services. For now the lord of the manor fixed the rent at as high a figure as the new tenant would consent to pay, and the tenant got a farm that would suit him at as cheap a rate as he could. Competition with all that it entails was beginning. In the same way the labourers who were for the time so prosperous were opening a new chapter in economic history that was to contain far higher possibilities and also infinite misery for their class. The pestilence had killed off at least a third of the population, and, it is said, had been more generally fatal to men than to women and children. The men who survived could for the time command the market. But under such circumstances population soon recovers its numbers and then the labourers may find themselves in a harder position than formerly. It may be better to be a serf than a free man out of employment. But these troubles were not in the immediate future.

For some years after the ravages of the Black Death the statute book shows that the labourer was master of the situation. In 1351 was passed the celebrated Statute of Labourers, according to which every person, whether man or woman, who was able-bodied and who had not land of his or her own to live upon, must accept work at the rate of wages that obtained before the Black Death. The man who refused was to be fined. How he was to pay is not clear. Moreover no one was to give alms to valiant (*i.e.* sturdy, able-bodied) beggars on pain of imprisonment. A workman who left his employment was to be imprisoned. The Act further tried to keep down prices. In 1360 a far more stringent Act declared that those who left their employment were

92 THE BLACK DEATH—ITS CONSEQUENCES

outlaws and were to be branded with an F " for their falsity." ¹ The excuse for this cruel legislation was, no doubt, that the labourer was trying to extort unfair wages. Certainly according to Middle Age notions it was unfair to exact the highest pay that exceptional conditions made possible. But the lords on their side were doing what they knew to be unjust in trying to reintroduce service instead of payment in cases where the commutation had been indubitably made. Each class pursued its own interest regardless of justice. But it must not be forgotten that there were individual members of each of the two classes who acted fairly in this time of revolution, lords who were just to their tenants, and tenants who did not take advantage of the straits in which their lord found himself.

It was not to be expected that this great economic revolution would pass without violent outbreaks. The new Statute of Labourers, indeed, was only a *brutum fulmen*. But the revival of services that had been discontinued was a galling form of oppression, under which men of spirit could hardly be expected to sit quiet. On the top of this came three poll taxes imposed in order to raise money for the French war, in the years 1377, 1379, 1380. The third, a tax of three groats on every person in the kingdom of fifteen years of age or over, was the last straw that led to the great Wat Tyler rebellion. Manors were burnt down, the peasants being particularly careful that the rooms in which the records were kept, the records of the serfdom that was dead or dying, and which the lords had been trying to galvanize into life, did

¹ See *The Growth of English Industry and Commerce* (Early and Middle Ages), p. 334, by W. Cunningham, and *Landmarks in English Industrial History*, by G. T. Warner.

not escape. There was a feeling that at any rate the higher clergy were on the side of the lords, and this accounts for the murder of the Archbishop of Canterbury. The Bishop of Norwich fought valiantly for the cause of law and order, killing and imprisoning rioters.

What was the result of the peasant rising and its repression? Some writers are in the habit of condemning all violence and saying that time and economic causes would have brought about all that was apparently gained by insurrection. In the same way they argue that it was very impolitic to execute Charles I., for in his place there was his son Charles, who, being reputed, like nearly all young princes, to have the promise of all the virtues, was in a stronger position than his father. But the second Charles learnt a lesson. He did not want to suffer his father's fate or even to have to "go on his travels again." The execution of Admiral Byng for over-caution, for it could not be called cowardice, was vehemently condemned even by the elder Pitt. The punishment was certainly far heavier than justice demanded. But after that our admirals knew what was expected of them: they must bring the enemy to action and defeat them: there must be no more indecisive engagements.¹ After Wat Tyler's insurrection the lord of a manor knew that he might have his house burnt down if he were outrageously oppressive. The labourers had been defeated, it is true, but they had not been slain like so many sheep. They had shown that they were men to be treated with respect. In France, too, in 1358, there was a peasant rebellion, a rebellion due to sheer misery. Seventy knights, says Froissart, charged an unarmed mob and slew 7000. After this the peasants sank back into their misery. The Eng-

¹ Captain Mahan throws a great deal of light on this subject.

94 THE BLACK DEATH—ITS CONSEQUENCES

lish rebellion was a very different affair. It occurred at a time of great prosperity and was due to injustice threatened and actual, and the results achieved were great though the fruit was not reaped all at once. In Henry iv.'s reign, men who had been serfs and who had become free tenants, were enfranchised by the electoral statute of Henry iv. and were able to take part in the making of history.¹

There is a great deal of political economy to be learnt from the history of the Black Death and its consequences. First it becomes clear that a reduction in the number of labourers brings prosperity to the survivors. Under these circumstances a landless proletariat may for the time be very well off. But we shall see as we follow the course of our economic history further that this cannot be a lasting prosperity unless they defend themselves by organisation. The competitive system was making its entrance to the stage of human history, giving to life a new intensity. Though the men who could adjust themselves to the new conditions would be better off, those who failed would have a worse fate than the failures of the system that was beginning to break up. But change begets change. Under the new system society could not crystallise and retain almost the same form for centuries. Social evolution would proceed with accelerated pace. Its own momentum would urge it on and, change begetting change, each phase would be the natural sequel of that which had passed away and the prelude to that which was to be.

¹ *History of Agriculture and Prices*, vol. i. pp. 8 and 688.

CHAPTER VII

THE TUDOR PERIOD

THE BRIGHT AND THE SEAMY SIDES—SHEEP—LEGISLATION—
STURDY BEGGARS—THE POOR LAW UNDER QUEEN ELIZABETH—OTHER INFLUENCES

THE Tudor period presents to us two very different pictures. In the one there is Queen Elizabeth, high spirited and stately, with her wise statesmen Cecil and Walsingham, her adventurous sailors, among them Drake, Hawkins and Gilbert, who humbled Spain and opened the Pacific and the East to English enterprise. There is Bacon the great philosopher. There is Shakespeare the unrivalled star in a galaxy of great writers. It was a time of great achievement and also a time when great things had their first small beginnings. Notably the East India Company sowed the seed of the tree that was to grow so great. It was during this period that Englishmen began to speak with ardent affection of England, that "precious stone set in the silver sea." In the other picture is the "sturdy beggar," a spectre at the feast, to remind us that misery, much and deep, may co-exist with all the glory of a period of national efflorescence. No doubt the unemployed of those days seemed more numerous than they actually were, since tramps are more in evidence than steady workers. Unfortunately the distress was not a passing phase. The

sturdy beggar had come to stay ; he is with us still.

We cannot separate the two pictures. In fact the wealth of the Tudor period was largely the outcome of a system which spread distress among many of the poor and reduced them to beggary. The competitive system has its splendid triumphs. It has also its failures and its slums.

A fact that often forces itself on the attention of those who study economic history, shows itself, and in more lurid light than ever before, in the Tudor period. Some slight change in the market, some rise or fall in price, and thousands or hundreds of thousands are reduced to helplessness and misery. There is much truth, of course, in what the poet says—

“Man is man and master of his fate.”

But it is the exceptional man who is to some extent master of his own fate. The weak-minded mass are the playthings of their environment, the victims of the capricious fluctuations of the market or other external changes. The man who has resources in himself suffers, of course, from such changes and chances, but he is likely to struggle out of the vortex of adverse circumstance. If his efforts prove fruitless, he can only wrap himself in his philosophy and bear his fate.

In the period in question life was becoming more intense. The old social order under which a man was born with a certain rank or status, pottered along through all his allotted years at certain work that was pretty clearly defined for him by custom, till he was laid with his fathers, and left his son to fill his place and, like his sire before him, guide his steps by the handrail of custom—this old order, in England

rudely shaken by the Black Death, was passing away and yielding place to new. It was a day of new ideas, new hopes, new enterprises. For those who entered the lists, there was the excitement of struggle and contest ; for those who won, the pride of triumph and achievement ; for those whom incapacity or fate left outside the barrier, not for all of them the old life of custom and stagnation, but for many, acute suffering and the life of outcasts. Under the old system when there was struggle and contention it was mainly, for the ordinary man, the struggle of the little community of which he was a member to maintain its rights when its lord played the part of an aggressive individualist. But England was now entering upon the period when there was to be a struggle for the ordinary man as an individual. For those who did not fail under the severe stress, it meant a keener and in many ways a better life, but misery for those who through ill-fortune or weakness fell behind in the race.

Much of the misery arose out of the price of wool. In the latter half of the fifteenth century the price rose and long continued high. Since the Black Death the relations between the lords of the manors and their tenants had been characterised by friction and unfriendliness. The depletion of the population brought wonderful prosperity to the labourer. But the rise in the price of wool put an end to it all. There was a grand opportunity for the lord. Sheep could make him a rich man again and enable him to snap his fingers at his discontented dependents. Sheep farms required far fewer men than arable farms. The land had first to be enclosed, and that, it is true, was an expensive business, but once that was achieved little labour was wanted. The land available for

enclosure was (1) the waste land of the manor, (2) the meadow land on which hay was grown, (3) the arable land. The lord's own demesne was as a rule enclosed already, but that did not afford space enough for sheep farming on a large scale. The lord of the manor had always exercised rather vague rights over the waste. He was allowed to make enclosures if only he left room enough for his tenants to graze their cattle, donkeys, pigs and so forth. As to what was room enough for them, he himself, apparently, decided. And so great tracts of the waste were enclosed. If enclosure had not been expensive in those days, if barbed wire had been cheap as it is now, probably much more of the open land would have gone. The meadow land, the arable, the lord had no right to enclose, but he might without injustice get much for himself if he gave to all his tenants permanent lots and kept the remainder. This was probably done in many cases. It would lead to a much better style of farming among the tenants and this possibly accounts for the fact that, in spite of the rage for sheep farming, corn does not seem to have run short. Moreover, in spite of the fact that enclosures on such a large scale were carried out, we find that at the beginning of the eighteenth century three-fifths of the cultivated land in England were still cultivated on the open field system. Nevertheless the numbers thrown out of work by the enclosures in Tudor times were very great. No doubt many small tenants, having what had formerly been servile holdings, were unable any longer to get a living out of their land. They had depended largely on employment by the lord of the manor, who now no longer required their services. Nor did he any longer feel the old responsibility for them. He was often an absentee, his bailiff looking

after the estate, and if his tenant threw up the game and went, he could enclose the land and use it for sheep or find another tenant. Latimer, in a celebrated sermon preached before Edward VI., shows the effect of the change from tillage to grazing.¹ Where there used to be householders and inhabitants, "there is now but a shepherd and his dog." And then comes a fine piece of family history which I quote for the light it throws on our present subject.

"My father was a yeoman² and had no lands of his own, only he had a farm of three or four pound by year at uttermost, and hereupon he tilled so much as kept half a dozen men. He had walk for a hundred sheep (a modest number) and my mother milked thirty kine. He was able and did find the king a harness, with himself and his horse, when he came to the place that he should receive the king's wages. I can remember that I buckled his harness when he came unto Blackheath field." And when he preached the sermon, this little farm was paying a high rent, sixteen pounds, but supported mainly sheep instead of men.

It is very interesting to see legislators face to face with the evils that arose out of these enclosures. First they try to discourage enclosures for grazing purposes. When the monasteries were broken up, the new owners were to plough as much land as the monks had ploughed. No one might keep more than 2000 sheep (A.D. 1534). But a man could evade this restriction by making over part of his flock to his son.

¹ No. VII. of his published sermons.

² The term yeomen had come to be used in a wider sense, including not only free holders but tenants who paid a money rent, and owed no service of any kind. See Stubbs' *Constitutional History*, vol. iii. p. 570.

Valiant beggars, sturdy beggars, roamed the country in spite of the severe laws, dating from the reign of Richard II., against vagabondage. Henry VII., mitigated the harshness of the old statutes, and reduced the penalty for vagabonds to three nights in the stocks. The punishment was afterwards still further cut down—to a day and a night.¹ Henry VIII.'s legislation is characteristic of him. It was assumed that a beggar was actually a thief or likely to become one. Like Tennyson's "North Country Farmer" of the new style, he argued—

"Tis'n them as 'as munny as breäks into 'ouses and steäls,
 Them as 'as coäts to their backs and taäkes their regular
 meäls,
 Noä, but it's them as niver knaws wheer a meäl's to be 'ad :
 Taäke my word for it, Sammy, the poor in a loomp is bad."

And no doubt many of these beggars were thieves, for hunger may drive even honest men to steal. Besides, when class hatred is thoroughly awakened, stealing from the rich presents itself to the poor man as a kind of war, involving nothing dishonourable.

Henry VIII.'s first Act was a mild one. The impotent poor are ordered to go to the neighbourhood of their birth and "there to abide without begging out of the said hundred." But in 1531 more drastic measures were taken. Able-bodied vagrants were to be tied to the end of a cart and whipped through the place where they were found begging, and then sent back straight home, there to work as "a true man ought to do." But in all probability they had wandered from home because there was no work to be had there. Another Act in 1536 prohibited all open begging

¹ See *Growth of English Industry and Commerce*, vol. ii. p. 537, by W. Cunningham.

unless a man could produce a testimonial showing that he had been duly whipped, in which case he might be helped on his way home. There the village or town authorities were to set him to work, while for those who were incapable of work they were to collect alms. In this there is one very right idea. A man's own friends and neighbours should help him if possible. It was good to send the impotent to their home. But, as for the valiant beggars, in spite of being whipped and then sent home they multiplied.

All the distress due to enclosures was aggravated by the dissolution of the monasteries. The monks had done good work in relieving the distress of the poor, though no doubt the relief given was often indiscriminating and tended to pauperise the recipients. In one way the old system was far better than the new one soon to be established. A monk, if himself a good man, could exhort a man to work and lead an honest life, bringing all the force of religious motive to bear. A relieving officer can do something in the way of exhortation, though from the nature of the case, not much. But the evil to be dealt with was outgrowing the means of the monasteries. Even in the heyday of their vigour they could not have coped with it, and now their heyday was over. No doubt Henry VIII.'s commissioners, knowing the king's bias, knowing what was expected of them, represented them as worse than they were. But we must be careful not to attribute too much influence to Henry's forcible personality. No one man, however masterful, could have destroyed old established institutions like the monasteries, had not the mass of the people supported him, or at any rate looked on with indifference. The Lollards had shaken the foundation of the Roman Church in England, and even if there had been

no such person as Henry VIII. it would before long have been swept away.

To return to the subject of distress among the poor. A sudden increase of vagabondage in 1547 during Edward VI.'s reign, led to still more severe legislation. "Loiterers were to be reduced to a temporary and, if incorrigible, to perpetual slavery, to be kept in irons and branded with a V for vagrant or an S for slave, according as their slavery was terminable or life-long."¹ This only remained in force till 1549, when the statutes of Henry VIII. were re-enacted.

With this terrible question of pauperism Queen Elizabeth had to deal and on the whole she dealt with it wisely. Her legislation, completed in 1601, may be summed up thus: Those who were incapable of work were to be provided for in their own parishes by a compulsory rate: those who could but would not work were to be whipped by the local authorities or placed in houses of correction: pauper children were to be apprenticed and work was to be found for the willing if they themselves could not find work. This legislation reduced the number of vagrants. It laid down the sound principles that the parish was responsible for its own poor, and that for the able-bodied there was to be no relief without work done. But to find work for the unemployed was a problem then as now, and the Poor Law authorities seem often to have been at their wits' end. We must not picture to ourselves thriving labour colonies. Work was successful only as a test. Whipping was still part of the system, but apparently it was reserved as a trump card to be played if a man refused altogether to work.

¹ Cunningham's *Growth of English Industry and Commerce* (Early and Middle Ages), p. 540.

The condition of the poor undoubtedly improved, but we must not give to the wiser Poor Laws the whole credit of the change for the better. Other causes contributed. Those who were thrown out of work, displaced by the sheep, in course of time found new occupations. Such readjustments always require time. Labour is said to flow to the places where it is wanted. But there are different rates of flowing: rivers flow and so do glaciers. Still, given time enough, the fluidity of labour will always show itself. Moreover, to ease the tension, new openings for labour appeared. Spanish rule ruined Flemish industry. Flemish refugees came to England. England took to making up her wool, spinning it and weaving it into cloth, instead of exporting it raw. And thus, beyond all doubt, the distress was much mitigated. Nevertheless, according to Professor Thorold Rogers, there was for the English peasantry no real recovery of prosperity till the first half of the eighteenth century. The fourteenth had been for them a golden age. After three centuries had passed came another age of gold, but it may be doubted whether it was for the peasantry the equal of the earlier one. After this golden, this questionably golden age came sudden economic changes that for a time brought about a new form of serfdom.

One thing remains to be pointed out. The peasantry in Tudor times showed less spirit than in the days of Wat Tyler. Instead of bold risings and armed insistence upon rights, there is merely vagabondage and thieving, a petty and squalid business having in it none of the spirit of the great peasant revolt. No doubt the government was stronger and better able to repress outbreaks, and there was the Poor Law to blunt the sharpest edge of distress. But

I feel sure there was another cause at work. Under the new social order the lowest stratum have less spirit than they had under the old. The reason of this I shall have to investigate later on.

CHAPTER VIII

THE EIGHTEENTH CENTURY

THE FIRST HALF OF THE CENTURY—THE LATTER HALF OF THE
CENTURY — INDUSTRIAL PROGRESS — AGRICULTURE —
LABOUR — THE POOR LAW — 1795 A.D. — THE POOR LAW
OF 1834

THE history of the eighteenth century is full of interest. The second decade ushered in a time of peace and plenty which continued long without interruption. Wealth and prosperity steadily advanced ; but, looking beneath the surface, we do not find it to be a time of high ideals. When we pass on to the second half of the century the interest becomes much more intense. There is the beginning of a great religious revival. There is a noble attempt to make political life less sordid, and patriotism comes to life again, resuscitated by a war which was a series of triumphs for our arms. But there followed another war, which left us maimed and crippled, a nation, as our enemies thought, that had had its day. Relief came from an unexpected quarter. A multitude of mechanical inventions, the introduction of the factory system, a great advance in methods of farming, the making of canals and the improvement of roads, set the country once more upon its legs and enabled it to bring to a successful issue a long and desperate war with France. In the background behind all the pomp and

panoply of war are the poor factory hands, down-trodden and crushed, the victims of an economic revolution.

Marlborough's last great battle, Malplaquet, was fought in 1709. The period which followed we associate with Walpole's long premiership, extending from 1721 to 1742. It was not the grandest time in English history. Even bishops were appointed for political objects, and if the prime minister, as is maintained, never did say "Every man has his price," yet he systematically acted as if that were his belief, and on the whole, it must be owned, it proved a sound working principle. We cannot feel much pride when we read the history of the time, if by history is meant the record of legislation and political change. But when we examine into the state of the poor, we find reason to think better of the first half of the eighteenth century. Agriculture made progress, the improvement being due, at least in part, to the enclosure of open land. But the enclosure acts passed by Parliament were not numerous enough to cause widespread distress by robbing the poor man of land whereon to pasture his cow and his donkey. Moreover, enclosures were sometimes carried out in a spirit of fairness and justice. And the poor man was the gainer when in return for his right of commonage and for his strip or two of arable in an open field, he received a plot of good land that he could call his own. In George I.'s reign there were only sixteen Enclosure Acts passed, in the thirty-three years of George II.'s two hundred and twenty-six. But this is nothing compared with the rate later on. From 1760 onwards enclosing went on fast and furiously.

The first half of the eighteenth century witnessed a great improvement in roads. In the seventeenth century and the early years of the eighteenth roads

had ceased to be worthy of the name. They were mere tracks in summer and impassable quags in winter. Those who undertook the conveyance of goods to market "were only able to carry it on in the winter season on horseback, or, if in carriages, by winding deviations from the regular tracks, which the open country afforded them an opportunity of making."¹ In fact those who travelled in vehicles of any kind had to be careful not to stick too closely to the roads! So in 1767 writes Henry Horner of the roads of fifty years back. In these fifty years had come about a wonderful change. "Our very carriages" (not only our horses), he says, "travel with almost winged expedition between every town of consequence in the kingdom and the metropolis." We should like to know the actual pace. It is change for the better, rather than excellence, that makes people enthusiastic. Arthur Young writing in the latter half of the eighteenth century complains of the abominable character of particular roads.

All this time our trade was growing rapidly. Walpole by reducing Custom House duties reduced smuggling. He repealed most of the export duties. And so during a long period of peace following many exhausting years of war, agriculture began to advance, trade made rapid progress, and improved roads facilitated communication between place and place. And there resulted a revival of prosperity among the labourers. We have an example of the truth of what Adam Smith says: it is the *expansion* of industry that sends wages up. The volume of trade may be large and in spite of it wages may be low. It is not enough

¹ Henry Horner, *An Inquiry into the means of Preserving the Publick Roads* (1767), quoted by Cunningham, *Growth of English Industry and Commerce* (Modern Times), p. 374.

merely to maintain trade and manufacture at a high level, there must be expansion, an expansion that at least keeps pace with the increase of population. Arthur Young gives some remarkable figures that throw into relief the increased prosperity of the labourers at this time. Taking the figure 20 to represent prices and wages as they were in 1810, he makes out a table showing the rising and falling of either at different periods. I extract from his table some very startling figures :¹—

PERIOD.	PRICE OF WHEAT.	WAGES.
1600-1699 . .	9½	8
1701-1766 . .	7¼	10

And so wheat became much cheaper while wages bounded up.

Prosperity, of course, brought temptations. Strong drink was cheap, money was plentiful. On public-house doors at this time might be seen posted up : " Here you may be drunk for 1d. and dead drunk for 2d." There was much drunkenness and degradation, but later on the struggle against drink must have strengthened the English character. However, I must get back to economic questions. We have now in our investigations come upon two periods in which wages rose markedly—in the latter half of the fourteenth century and the first half of the eighteenth. In either case the rise was due to shortage of labour. But the circumstances were very different. In the former case the Black Death swept off at least a

¹ Quoted from Cunningham, p. 691.

third of the labourers. In the latter the growth of our industries caused an increase in the demand for labour that outpaced the increase of the population.

The latter half of the eighteenth century was very different from the former. To speak of political history first, Englishmen seemed in the first half to have no patriotism and very little religion. In the latter half there was a revival of political purity led by the two Pitts. At the same time came an awakening of patriotic feeling that rose to enthusiasm during the Seven Years' War, and Englishmen once more were proud of their country. Not long afterwards the American War of Independence broke out. Our colonists found themselves free from the French peril, and when asked, in a very injudicious way it is true, to help to pay the bill for a war that had been fought largely for their benefit, they flatly refused to contribute. They were too masterful to submit to taxation. Here was another costly war on our hands. In this we for a time lost command of the sea, till Rodney, in spite of age and gout, won his great victory. Then came the long Napoleonic war ending only in 1815. It was a wonderful fifty-nine years from 1756 to 1815, a time of which on the whole we have great reason to be proud, but also a time of great misery for the poor. Taxes were heavy and the system of national borrowing on a huge scale tended to prevent a rapid recovery when wars were over. When our American colonies had succeeded in cutting themselves adrift, our enemies thought that we had fallen like Lucifer never to rise again.

How was it that we were able after such losses and disasters to stand the strain of the long French war? The answer, as I have said, is to be found in the great improvements in agriculture, in the opening up of all parts of the country by means of canals and improved

roads, and still more in the great inventions that made England the workshop of Europe. In 1733 Kay invented the flying shuttle at Bury. Instead of the shuttle having to be passed by hand through the threads of the warp, mechanical apparatus sent it flying backwards and forwards. Macaulay writes of the evenings in Roman households—

“When the good wife's shuttle merrily
Goes flashing through the loom.”

More merrily, perhaps, than Kay's shuttle, but it is a hyperbole to say that this primitive shuttle flashed. Before long the inventions of Hargreaves, Arkwright & Crompton revolutionised spinning. In 1801 power-looms, the invention of a Kentish clergyman, were set to work. In 1785 the first steam engine, the famous invention of James Watt, was constructed for a cotton mill. The forests that were formerly used for smelting iron had come to an end, but coal was now coming into general use for manufacturing purposes. It is estimated that—

In 1700	2,612,000 tons were consumed.
„ 1750	4,773,828 „ „ „
„ 1795	10,080,300 „ „ „

In 1758 canal-making on a large scale was initiated, and soon a network of canals spread over the country. In 1741 a Bill was passed for bringing all roads under the turnpike system that had already been partially introduced. A great improvement followed.

Agriculture advanced with rapid strides. At the accession of George III. (1760) the open field system existed, it is said, in half the parishes in England, and the system of agriculture practised was discreditable to any civilised country. There was no encourage-

ment to the holders of the little arable strips to make improvements, when their neighbours might leave theirs a mass of thistles which would seed all over the strip of the would-be improver. The weeds sometimes got the better of the crop altogether. If anyone attempted drainage, he interfered with his neighbours and they resented it. Perhaps he found small edges of his land filched by an unscrupulous fellow-villager. When he turned his cattle on to the fallow they manured other men's strips as well as his own. Instead of growing clover to refresh the land he was obliged to leave it fallow because that was the communal system : all were obliged to do alike. Under these circumstances it was no wonder that the land got used up. Moreover, there must have been going on for some time a process of inverse selection, a selection not of the fittest but the unfittest. The keenest men must have seen that the days of communal farming were past and that the only hope was to get an enclosed farm of their own. Hence in many cases the open fields must have been cultivated by a residuum. Inverse selection is disastrous whenever it occurs. Take out the three best men from a football team, even if they are only by a little the best, and replace them with men who are only just up to the average, and how great the difference is !

“Oh ! the little more and how much it is !
And the little less and what worlds away !”

Arthur Young, who did so much to make the land of England more productive, is an enthusiast for enclosures. In his *Farmer's Letters* (1771) he says, “ Their great benefit consists in (1) the vast increase of the earth's products, (2) the employment of the poor.”¹

¹ Vol. i. p. 88.

He was against all antiquated methods. In the East Riding of Yorkshire he found that farmers were in the habit every year of ploughing up a fresh part of their sheep-walk, taking a crop or two, then letting it lie fallow for fifteen or twenty years. Such farming, he says, seldom produces a threefold increase.¹ Capital, he maintained, ought to be applied to land, up-to-date methods ought to be adopted. He even recommended a moderate increase of rent, so that the tenants should be obliged to have recourse to less slovenly ways of cultivation. Many of the yeomen, the stalwart class who, we are told, had for centuries been the backbone of England, seem at this time to have been very poor farmers.² They found it easy just to rub along, and so farmed in the very poorest style.

Arthur Young may have been right about the desirability of raising rents, though it is seldom that a landlord requires to be egged on to do this. His view accords with the principle that has brought about evolution. Increased stringency of selection, a hardening of the environment, a raising of the survival standard—it is this that leads to progress. Legislators often take a different view. Our parliament has passed some wonderful laws for the benefit of the Irish tenant. Land commissioners perambulate the country and reduce any rents that, judging by the look of the land, appear too high. It is the policy of the farmer, therefore, to make his land look as bad as possible, and so farms go from bad to worse. Before the next visitation he has let it fall into still worse decay in hope of a further reduction. Even when they become proprietors, having bought their farms by the help of

¹ Quoted in Cunningham's *Growth of English Industry and Commerce*, p. 366.

² *Ibid.*, p. 361.

the state, Irish farmers seem often to be slack as some of our yeomen were slack in the eighteenth century. I find proof of this in a little book, *Economics for Irishmen*, the author of which is a Roman Catholic farmer, who calls himself "Pat." He says, "I question seriously whether our tenant proprietors, taken as a whole up-to-date, have not diminished their wage bills and extended their grass *at an increased rate* since they became proprietors, especially on the richer soils where indolence is most practicable."

However this may be, enclosures were the order of the day in England from 1760 to 1779, after which date the process continues more slowly, perhaps because most of the land was already enclosed. In the decade 1760-69 there were 385 enclosure bills passed, between 1770 and 1779 no less than 610.¹ The high price of wheat during this period hurried on the process. More corn must be had and it could not be got off the open fields. Many years were years of dearth.² Between 1765 and 1774 there is said to have been not one good harvest. The year 1782 was a particularly bad one, and the years 1795, 1796, 1800, 1801 were years of great scarcity. Though the Corn Laws were not made highly protective till 1815, yet there was very little importation during the war. A year of scarcity often meant the impossibility for the very poor of getting any decent bread. If they got wheaten bread at all it was made from mouldy wheat.

In spite of wars and bad harvests the country was wealthy. By the help of machinery one man was able to do the work of many. Fuel was plentiful, for coal was being freely used. When the weather

¹ See Porter's *Progress of the Nation*, p. 148.

² See Cunningham, pp. 476, 479.

allowed, the land produced better crops than ever before. Roads had been improved and canals had been dug. There was progress and there was the wealth, but at the same time there was grievous distress among the working classes—the cause of which we must investigate.

If labour were perfectly fluid, if men were far more adaptable, far more plastic beneath the touch of changing circumstance, than as a fact they are, these times of rapid transition would not be productive of such misery. The open land having to a great extent disappeared (no less than 4,000,000 acres were enclosed in the eighteenth century), the bulk of the peasantry being now left landless, had to live as wage earners pure and simple. Their numbers were swelled by the ruin of hundreds of yeomen and small tenant farmers, who could not compete with the farmers who had many acres and capital at their back. By-industries no longer helped to support them. Spinning was no longer carried on in cottages or small farm-houses, but in factories by the aid of water power or steam. Weaving lingered longer, but early in the eighteenth century that too migrated into factories. The factory hands—men, women and children—worked very long hours for starvation wages under very unhealthy conditions. At the same time there were large numbers of unemployed. Both over-work and want of work were preying upon the labouring class, while the burden of the war was so terrible that it seemed unreasonable to propose measures that would reduce the output of commodities. Confronted with these difficulties that were enough to puzzle the wisest of men, our legislators failed to remove existing evils and created new ones. The Poor Law needed amendment. The Act of Settlement

passed in Charles II.'s reign greatly hampered the labourer's freedom. If he went from his parish in search of work he would probably find himself sent back for fear that at some future time he might become chargeable on the rates. Not till 1795 was this law made less stringent. In that year it was enacted that an immigrant labourer in a parish should not be interfered with till he actually did become chargeable. The year in question was one of altogether exceptional scarcity. In mitigating the Law of Settlement Parliament showed wisdom, but they proceeded further to modify the Poor Law in a way that pauperised and demoralised the labour class and went near to ruining the whole country. Of course it is easy to be wise after the event and criticise men who went wrong in a time of storm and darkness, when even the most clear-sighted could hardly see his way. Still it was surely a time for temporary measures, for experiment. The Poor Law of which the main lines were laid down in Queen Elizabeth's reign, had worked fairly well for two centuries. Why alter it's whole character? The law directed that the impotent poor should be relieved in their own parishes, that the obstinately idle should be punished by whipping or in houses of correction, and that those who were able and willing to work should have work found them. The last mentioned clause had never been successfully carried out, and for long past no such punishment as whipping had been inflicted. But in accordance with an Act passed in 1723,¹ parishes or unions of parishes had been empowered to erect workhouses, and relief could be altogether refused to any person who refused to enter the workhouse. To be an inmate of a workhouse involved a loss of

¹ Cunningham, p. 381.

respectability and the discipline enforced was irksome. Consequently all self-respecting poor men struggled hard to keep out of the "house," and the workhouse was probably more effectual than the whipping that Queen Elizabeth's Act recommended would have been. But in 1795, that year of acute and very general distress, the existing machinery altogether broke down, and Parliament not only attempted to deal with the existing crisis but completely changed the character of the Poor Law. It empowered any justice of the peace to order relief to be given to the poor at their own houses.¹ Under this law the able-bodied pauper often found himself better off than he would have been had he found employment and worked for his living. He might be a thorough ne'er-do-weel, still he might obtain relief, if only the magistrate were foolish enough to order it. Sometimes those who were in good work nearly all the year were provided for liberally out of the rates as soon as they were in want of a job. One magistrate, when remonstrated with, replied, "Why, what are we to do? They spend it all and then come and say that they are starving."² The relief given to a man was proportioned to the number of his children, thus putting a premium on improvident marriages. The mother of an illegitimate child could get an allowance for her bastard from the parish or from the man whom she accused of being its father. The law did much to break up family life. "Why should I care for my aged parents," people would argue, "when the parish is bound to do it?"

In one parish there is this entry, "David Walker's

¹ A good account of the Poor Law of 1795 is given by Mr. F. C. Montague in his paper *The Old Poor Law and the New Socialism*, 1886.

² *Ibid.* p. 18.

wife applied to be allowed something for looking after her father and mother, now ill, who receive 6s. weekly." Accordingly David Walker's wife was allowed 1s. weekly in reward for her filial conduct.¹ Mr. Montague quotes three more similar instances from the books of the same union. A boy of fourteen would get an allowance on his own account and often not throw it into the common stock of the family but buy bread and bacon for himself. Some parents were so demoralised that they would do their utmost to prevent their children obtaining employment for fear they should lose the parish allowance. When there was such a law in operation what was to become of the small farmer, whether yeoman or tenant? The farmer who employed labour obtained relief because his men were paid partly by wages, partly by doles. But the small working farmer who employed no labour obtained no relief, since he had land. On the contrary he had to pay rates. No wonder that the small farmers disappeared. They would many of them have been, no doubt, unable to compete with the capitalist who farmed in a more modern style, but the law took the side of the big man and helped to crush the small.

At length the new Poor Law of 1834 declared the relief of the able-bodied, except in workhouses, illegal. Nevertheless there has been a strong tendency to depart from the spirit of the Act, though in very few cases has the absolute recklessness of the previous system been revived. The reform of 1834 revived the labourer's self-respect which the law of 1795 was going near to kill out altogether. Those who wish to know how easy it is to degrade the poor by bad legislation

¹ *Ibid.* p. 46.

and how it is possible to ennoble their lives by insisting that they shall be self-dependent, should read Mrs. Helen Bosanquet's book, *The Strength of the People*.

On June 18th, 1815 was fought the last battle of the great war. The nation had been subjected to a great trial, and had come out victorious, but at a terrible cost. The huge national debt was a bad thing, the degradation of large masses of the people was a far worse thing. Though the reform of the Poor Law in 1834 did much to make matters better, there was still much to be done. The enclosures had left the peasantry mere wage-earners, for even if part of the land that had been held in common was assigned to the poor commoner as his own property, he very often failed to make a living and sold it. So the poor were left landless and helpless and were ready to work at starvation wages under any conditions. The capitalist was absolutely master of the situation, and the average capitalist made use of his opportunity. He who in those days mingled humanity with business was a very exceptional man. It was a very unequal contest between capital and labour. It was as one-sided as some recent wars, when barbarians armed with bows and arrows have been pitted against the armies of civilised nations equipped with the most up-to-date weapons, as one-sided as the fight that would have taken place, had lions and tigers been turned out among the unwieldy animals of the secondary period, instead of having to find their prey among animals whose evolution has gone on *pari passu* with their own, and who are as swift of foot and as keen of ear and eye as themselves. The contest was bound to be an unequal one, but in the eighteenth century and the early part of the nineteenth, the inequality is more striking even than it was in Tudor

times. The working class showed a want of spirit. Unlike the peasantry whom Wat Tyler led, they did not show fight at all. It was a duel in which one side played a merely passive part, a fight that was no fight.

"Si rixa est ubi tu pulsas, ego vapulo tantum."

There was nothing beyond some occasional rioting, machine breaking and rick burning. The next chapter, in which I describe the working of Natural Selection among civilised people, will, I believe, make clear the cause of the decay of spirit.

CHAPTER IX

NATURAL SELECTION AMONG CIVILISED PEOPLES

ELIMINATION—THE PERCENTAGE OF THE POPULATION ELIMINATED—HOW FAR IS ELIMINATION SELECTIVE?—DISEASE—ALCOHOLISM—MORAL DEFECTS AND WANT OF BRAIN POWER—LOSS OF ORGANS AND FACULTIES—LAMARCKISM—VARIETY OF ENVIRONMENT—BIRTH RATES AND DEATH RATES—AN ORGANISM THAT RENEWS ITSELF FROM ITS BASE—DEGENERATION—SEXUAL SELECTION—REPRODUCTIVE SELECTION—POTENTIAL STRENGTH AND ACTUALISED STRENGTH—DECAY OF THE ROMAN EMPIRE—INFLUENCE OF SCIENCE AND WEALTH ON EVOLUTION—REMOVAL OF CRISES—RÉSUMÉ

I HAVE now given some account of communal villages, the little semi-socialistic groups of primitive times, and shown how in Western Europe they gradually passed away and gave place to a new social order based on individualism. This new order has difficulties and problems of its own which I hope to discuss. But, as a preliminary, it will be best to show how Natural Selection works among civilised peoples. Natural Selection has not been banished by civilisation, and the assumption that it is a thing of the past cannot but lead to a complete misunderstanding of the gravest social problems.

The struggle for existence calls up to the minds of many people pictures of hawks pursuing sparrows, lions springing upon antelopes or savage tribes engaged

in internecine war. But there are other ways as well as these in which Natural Selection acts. Among civilised races the rate of selection is still high, though far lower than it was formerly. Happily by means of the statistics published by the registrar-general we are able to make out with fair accuracy the proportion of the population who are eliminated. In a sense every man is eliminated when death lays its hand upon him, but when we are speaking of evolution, the word bears a different sense. Those who leave no children behind do not influence the physical character of the next generation. They may, of course, make their mark upon its moral or intellectual tone, or indirectly upon its physique, by leading others to adopt a healthier or unhealthier way of living. But they do not directly transmit their own character to sons or daughters. From the point of view of evolution, therefore, these persons do not count and we may speak of them as being eliminated.

From the registrar-general's reports we may learn the average ages of marriage for men and for women. The report also tells the number of persons of either sex who die before the average age of marriage. No doubt some may marry exceptionally young, become fathers or mothers, and die before the mass of their contemporaries have thought of wedlock. These cases, however, are too rare to vitiate our conclusion, which is this—that the percentage of the population who die before the average marriage age may be described as being eliminated. In 1905 that age in England and Wales was for bachelors 27·01, for spinsters 25·43. Turning to the death tables we find that 44·2 per cent. of males died before 27, and 39·6 per cent. of females before 25. Thus at least 44·2 per cent. in the one case and at least 39·6 in the other were eliminated; or, taking

both sexes together, 41·9 per cent.¹ Applying the same method to the figures of 1896, we find that 50·3 per cent. of males die before 26 and 46·5 per cent. of females before 25, the average ages of marriage being 26·59 and 25·08 for bachelors and spinsters respectively. If we take both sexes together, 48·4 is the percentage eliminated. It is possible that the brides occasionally understate their age, but such misrepresentations are not common till the age of 25 is past, a fact which comes out amusingly in the census returns. When we examine the figures for any year that is now some decades past we have another difficulty. The ages of bride and bridegroom were not always recorded. In 1859 only 64·6 stated their ages. It is known, however, how many of those who made no exact statement were minors. The registrar-general assumes that the minors and those over 21 who did record their exact age were true samples of the two respective classes, and thus he estimates that the average marriage age was in 1859 for bachelors 26·13 and for spinsters 24·96. The percentage of males who at that date died before the age of 26 was 58·2, the percentage of females who died before attaining 24·96 years (just below 25—I have allowed for the fractional defect) was 53·5, or, taking the mean for the two sexes, 55·8. Thus the percentage eliminated is constantly decreasing. In 1859 it was at least 55·8 per cent., in 1896 48·4, in 1905 41·9. But this does not represent the whole amount of the elimination that goes on, and what I have to add increases the steepness of the decline from 1859 to the present day, though I cannot give definite figures. There are many persons who, though they live beyond the average marriage age, yet die as

¹ The number of illegitimate children is comparatively so small that we may disregard them.

bachelors or spinsters, and are, in the sense explained above, eliminated. Besides this many married couples leave no children behind them, others leave but few, a not very high percentage have large families. It is the last named who are mainly responsible for the character of the race. Later on I shall give further consideration to this subject. At present I will only point out that the artificial limitation of families that is becoming common brings it about that of each successive generation a smaller and ever smaller proportion are the offspring of specially vigorous stocks. The inevitable result is a deterioration of the race. I can fancy humane people objecting that 41·9 per cent., even without the large but indefinite percentage that share the same fate, is quite enough, that we want at any rate no more than that cast away to the limbo of failures. As a matter of fact the amount of elimination that goes on is very small compared with what is normal among wild animals, or barbarous tribes or even among peoples who, though by no means barbarians, are less civilised than ourselves. Some birds, *e.g.* thrushes and house martins, not infrequently rear three broods in the year and each brood often numbers five. Suppose that, in order to be well within the mark, we allow only eight young to each pair in the course of the year. Then, since on the whole the numbers of these species remain constant, though there are, of course, ups and downs, the number annually eliminated is—allowing for some unpaired birds—not far short of four times the adult summer population. To every two that pair, eight are born and yet there is no increase. Among the human race, till civilisation softened life, the stringency of Natural Selection was very great. Adam Smith writes: "It is not uncommon, I have frequently been told, in the Highlands

of Scotland for a mother who has borne twenty children, not to have two alive."¹ And yet we are often told that the Scotch, Highlanders and Lowlanders alike, owe their strength to a diet of oatmeal porridge! Russia has the portentous death rate of 33·6. Contrast with this the 17·2 of England and Wales, the 11·7 of New South Wales and the 9·8 of New Zealand.

This rigorous system among wild animals and those races of men whose environment is still hard undoubtedly results in exuberant vigour and vitality, when the survivors of a time of stress find themselves in an easy environment. But there is an important question still to answer. How far is the elimination among the human race selective? That it is largely selective we may feel certain from the fact the races among whom the death rate is still large are remarkable for their physique, for example the Russians and the Chinese. But since the statement is often made that all the elimination is random and haphazard, it would be well if we could prove that a certain definite proportion of it is selective. Unfortunately such definiteness is unattainable. Professor Karl Pearson estimates that 80 per cent. is selective, only 20 per cent. haphazard. Most of the medical men who have reached middle age would say that many of the children born in our big towns are heirs to an environment bad enough to be the death of the most vigorous of babies. Among the younger members of the profession are many, I know, who take a more Darwinian view of the matter. There cannot be a doubt that many of the diseases that play havoc with the young, especially with the young in big towns, are highly selective. We are often told that tuberculosis is due simply to a bacillus. Banish the

¹ *Wealth of Nations*, p. 61.

bacillus, it is said, and the disease will vanish. Quite true. But even then the congenital defects which give the bacillus its chance—defective breathing apparatus and poor development generally—would still remain. The eventual result would be that the population would decline in vigour, having no longer to combat a disease which cannot be combated successfully without a certain measure of vitality. It must be remembered that there is no germ of general debility. That would remain, if all the germs in the universe were caught and pickled.

If elimination, then, is largely selective, what are the defects which are weeded out? On what lines is evolution proceeding? Dr. Archdall Reid has told the world very plainly that the result of all the selection that goes on is that civilised peoples are becoming stronger to resist disease and alcoholism. I should certainly add, though he does not, that certain moral qualities are growing stronger.

As to disease, contrast the life of a barbarian with that of a civilised man. He comes into contact with comparatively few poisonous germs. Malaria is an old enemy of the West Africans and now the Sleeping Sickness has much extended its range, but, speaking generally, the barbarian is far less haunted by such pests. They have found a congenial habitat in crowded centres of population. When the germ of tuberculosis makes its appearance among Pacific islanders they fall easy victims. Their race has not been hardened to disease by generations of Natural Selection. However healthy they may be, yet since power to resist this particular germ has never before been the test of fitness to survive, they succumb to its attack. The civilised man in the present day crowds into cities, and where men abound there

germs abound. Having been for generations exposed to such pests, European races have gained power to resist them. People of the present day are the descendants of those who in each generation were able to make a good fight against disease.

What is true of disease is also true of alcoholism. Those who have a strong tendency towards it fall victims. This being so, alcoholism in its worst form must eventually disappear. But its action is not so simple as that of disease. A man may resist either by strength of will, or because he has no strong inclination to drink, or by a combination of these qualities. Or again, if he has a very strong constitution, he may long be able to exceed without fatal consequences. In countries where men have for many centuries past had strong liquor in plenty at their command, in southern vine-growing lands, the temptation to drink is less strong. Our race has suffered from alcoholism for a considerable period and has become to a great extent hardened against it. Other races are still in the heat of the struggle, barbarians with whom fire-water plays havoc, since till recently they have known no alcohol at all or at most only some weak native spirit. When the fashion is to drink heavily, then a strain is put upon the constitution and many weaklings disappear. They try to "go the pace" and they have not the bodily stamina for it. But a good many will resist the temptation to drink, and, among these many, some to whom the temptation is strong. Thus alcohol selects for survival those who are indifferent to it and those who fight it through strength of character or of physical constitution. Degrading and ruinous as it may be to the individual, it yet does much to keep up the physical vigour of the race. A great many

men still drink largely and thus a considerable proportion of the male sex is subjected to a physical test. Similarly the high spirit of boys and young men sets up a standard of physique and so brings about elimination and helps to maintain the strength of the race. The athletic ideal that is now so general makes a boy ashamed to stand out and not to do what his companions do. Those who are weak overtax themselves at football, bicycling and in a hundred ways, and this leads to a certain amount of weeding out of weaklings. Were all young people as careful of themselves as thoroughgoing valetudinarians, a time would come when such valetudinarism would be a necessity for the mass of men. It is only by elimination that the race gains strength and remains strong. Among primitive peoples the struggle for existence comes largely in the form of frequent wars. For civilised man it presents itself mainly in the form of disease.

But there is, as I have already said, an enormous amount of elimination for defects of character. Steadiness and trustworthiness are qualities everywhere in demand. Without such qualities a man is likely to sink to the lowest stratum of society, and being there exposed to a hard environment, for which his nurture has not fitted him, he will very probably die prematurely. If he has a large family, not many of his children are likely to survive. Still more is a woman without character likely to be the death of children she has brought into the world. But if it is asked whether men and women pass away and leave no descendants because they are not clever, not intellectual, the answer must be an emphatic No. Intellectual ability is sometimes rewarded, but it has not survival value, is not a life and death determining matter. A steady man is seldom so dull

of brain that he cannot support a family. Steadiness is a necessary ; cleverness, from the point of view of evolution, is a luxury.

It is sometimes assumed that Natural Selection has done its work, that it has made the civilised races what they are, has made them strong and energetic, and that all this strength and energy is, so to speak, an indestructible asset. Nothing can be more untrue than this. We have only to cast our eyes over the animal world and we shall see constant evidence of the loss of organs, powers, faculties, that once were highly developed and vigorous. The wings of the New Zealand Apteryx have almost entirely disappeared. The Dodo fell a victim to sailors because it had lost the power of flight. The horse has lost all the toes but one on its fore and hind feet alike. Some breeds of cattle have lost their horns. The whales have lost their limbs. The boa constrictor has just a vestige of hind legs, most snakes have not even that. The ancestors of the seasquirt could swim and had a rudiment of a backbone. The ancestors of the barnacle swam freely in the seas, whereas the barnacle of to-day is a fixture except during the larval stage. Man himself has shed much that had become superfluous. The gill arches, by means of which his remote progenitors used to breathe, appear only for a short time during his embryo life. Everywhere we see loss of organs and powers, and whereas the building-up of an organ has required long ages of evolution, the loss of it may be sudden and complete. For instance it occasionally happens that a calf, though sprung from a horned stock, yet develops no horns at all or nothing beyond small vestiges. It may be objected that most of the losses which I have mentioned were really gains. The species only shed organs that were superfluous

and were consequently likely to be injurious. Such delicate organs as eyes would be a danger to a fish in the darkness of the Kentucky caves ; hence the blind fish that inhabit them. With regard to many cases this objection holds. But in others it altogether breaks down. Many breeds of domestic animals are very delicate. And yet it would be an advantage if they were characterised by strength of constitution. But that is not one of the "points" on which the breeder insists and so it tends to disappear. It is an advantage to a man to have good sight, but under modern conditions a very short-sighted man can get on, though he is at a disadvantage. Hence eyes are not what they were. Teeth are becoming lamentably poor in quality, and yet the possessor of the full complement of teeth in sound condition is far better off than the owner of a few surviving grinders and those not good at their work. But sound teeth, however desirable, have survival value no longer. Good hearing is a great blessing, still even this is not absolutely essential, and by the help of education, deaf mutes in America are able to make a living ; they are increasing in numbers, and founding, it is said, a deaf and dumb race.¹ There is evidence in plenty to prove that civilised men are strong only in those points without which they must succumb, *i.e.* be eliminated, in the sense explained above. Teeth, eyes, ears may be very imperfect without entailing a breakdown. But general health, fairly sound condition of the main organs, heart, stomach, liver and so forth is still essential if a man is to make a living. Hence Natural Selection keeps these main organs in fairly good condition. The vigour of civilised races has not only been produced by Natural Selection but is still

¹ See *Marriages of the deaf in America*, by E. A. Fay.

maintained by it. The human organism is saved by it from falling into dilapidation.

Every effort has been made by philanthropists and by some biologists to minimise the part played by Natural Selection. They have tried to prove that acquired characteristics may be inherited, that if, for example, a man improves his brain by study and his character by self-discipline, he may hand down to his children not only his congenital endowment, but the increment of brain-power and morale which he has gained by personal effort. There is, I believe, no evidence for this. The theory of evolution which Lamarck propounded, though it still has supporters, is dying. Indeed, it can be shown by taking simple and indisputable cases that evolution goes on independently of any such principle. Take first the plant world. A plant is incapable of practising an art. It cannot by practice elaborate contrivances for attracting some insects and barring out others, nor can insects—a fantastic theory—by their crawling and scrambling have moulded flowers. Nor can the inorganic environment—water, drought, air, heat, cold—account for much. Lamarckism is powerless to deal with the question of plant evolution. Take now the familiar case of hive bees. The workers show marvellous skill in constructing their hexagonal cells, but they leave no offspring, so that, here at any rate we cannot have an instance of the transmission of an acquired art. The queen bee who has no such skill is the mother of all the hive. Then, again, many caterpillars are wonderfully clever at spinning cocoons. Once only in his lifetime each individual performs this feat without any preliminary practice. Is it possible to believe, then, that the caterpillar supplies us with an example of art learnt and transmitted

to descendants ? and if we have in these comparatively simple cases to trust to Natural Selection and not to the inheritance of acquired characteristics for an explanation, must we not apply the same principle when we try to explain human evolution ? The socialist, who by virtue of his creed wishes to put a stop to the last vestige of the struggle for existence, naturally clings to the idea that when a man is educated, is "socialised," his children will be born to some extent "socialised," not requiring so much indoctrination as the striving self-centred individualist in order to get completely purged of the old Adam of combativeness and personal ambition. But this is to cherish a vain hope. Education can humanise individuals, and by changing the environment in which men live can to some extent guide the course of evolution. It is the environment which selects, and if, for example, men are socially ostracised for dishonesty, dishonesty will slowly tend to get less frequent through the elimination of the dishonest. Civilisation has advanced up till now through two co-operating processes, the improvement of the conditions, physical, moral and intellectual, under which men live, and by the weeding out of the uncivilisable. Neither process can effect much if a stop be put to the other.

We can now return to our more immediate subject. When we compare the working of Natural Selection among a civilised people with its working in a species, or herd or other association of wild animals, a very striking difference comes out. All the members of the association or species live, speaking generally, the same kind of life. They have to endure the same kind of hardships, fight the same kind of enemies. In a civilised nation we find a number of strata, the

representatives of which often diverge far more widely in point of habits and mode of life than animals who belong to different species, perhaps to species not very closely related. Yet individuals and families are continually ascending from their original stratum to the next above it or even to a higher level. The registrar-general's report is eloquent on the subject of social stratification. Among the well-to-do the birth-rate is low and the death-rate also. Among the poor both rates are high. Unfortunately no returns for the different social classes are published. Such a report would require revelations which many would be reluctant to make. Still the fact comes out clearly enough, since there are well-to-do neighbourhoods and poor neighbourhoods—neighbourhoods, in fact, which represent social strata. I give examples :—

	Births per 1000 living.	Deaths per 1000 living.	Natural increase.
St. George's, Hanover Sq.	17·2	12·9	4·3
Hampstead	17·3	13·2	4·1
Whitechapel	34·0	20·0	14
Poplar	32·2	18·0	14·2
Stepney	30·9	18·2	12·7

In wealthy St. George's and well-to-do Hampstead the birth-rate is so small that, were it not for the extremely low death-rate, there would be no natural increase at all. Whitechapel, Poplar, Stepney, all have a pretty rapid increase in spite of a heavy death-rate.¹ The country in the same way has a very different death-rate from the town. In Westmoreland, out of every 1000 children born only 139 die in their first five years, in Lancashire no less than 274. But in the country we should find, if we could

¹ Mr. Chatterton Hill in his *Heredity and Selection in Sociology*, p. 327, has some figures which very forcibly illustrate this.

investigate, I have no doubt, that the mortality among the well-to-do is less than among the poor, though the contrast would not be so striking. Professor Karl Pearson quotes class statistics for Copenhagen, and says "The population would accordingly appear to be ultimately and in the long run reproducing itself from the artisan classes."¹ Dr. Mercier regards a civilised community "as a lamp which burns away at the top and is replenished at the bottom."² In all civilised nations, and very conspicuously in the United States, this comparative infertility of the upper classes, this failure to maintain their numbers, shows itself unmistakably.³ Since this is so, there must be continually going on a movement from the lower strata to the higher. The ambitious, the intelligent, the energetic climb to a higher social level, and at the same time there is always a downward stream flowing. This, however, is of less volume. The small increase of the upper classes is due to a number of causes—low marriage rate, late marriages, artificial restriction of the natural birth-rate.

But such explanations do not account for everything. There is undoubtedly degeneration owing to the low death-rate. No species can remain vigorous if nearly all the individuals that come into the world as its representatives survive and are at liberty to propagate their kind. And therefore, though the members of the upper classes who marry may, if we take a broad view, be looked upon as sounder physically and morally than those who do not, yet there is no such vigorous

¹ See *Natural Science*, May 1896.

² *Sociological Society's Papers*, 1904, p. 55.

³ See *Immigration and its Effects upon the United States*, by P. F. Hall.

working of Natural Selection as there would be, were the birth-rate and also the death-rate high. There is an approach, therefore, to what Weismann calls Pammixis, *i.e.* an absence of selection.

It is true that sexual selection is always at work, checking degeneration. Few people probably have any idea how powerfully this operates even now. Men and women do not select their partners for their defects but for their strong points, physical, moral, and mental. And so the tendency is for the best to mate with the best, while the worst at any rate are compelled, whatever their inclination may be, to remain single. But this sound principle does not work so freely as it did formerly. Property has become far more important than it was in ancient times, and property, grown excessive, clogs the wheels of our social system. A girl, for example, who has a constitution and character and brain but no money, falls in love with a fine athlete, but he is not in a position to think of wedlock. She ends, perhaps, by marrying a man of poor physique who has speculated with success or inherited money, or, very possibly, she and her athlete too remain single. Here is one of the very weakest points of our present civilisation. It is evident that the socialist theory if fully carried out would cure this disease of the social organism. If no one had any property to speak of, nothing beyond goods for his or her own consumption, personal merit would count for everything, and wealth, being non-existent, for nothing. But may we be saved from such remedies and the new ills they would bring with them !

Moreover, not long ago under a more natural system, twenty-five per cent. of the marriages in England and Denmark produced more than fifty per cent. of the next generation. Even if Professor Karl Pearson had

not proved this¹ yet we could not have remained quite in the dark as to the facts. A farmer who lives not far from the house where I am writing this has had thirty-two children born to him, twenty-five of whom survive. He has been twice married and I do not know accurately in what proportion the two wives divide the large total between them. This case illustrates the natural system under which most persons spring from fertile families, and, fertility being as a rule accompanied with vigour, the population is characterised by strength and vitality. But when artificial limitation takes place a naturally strong and fertile stock produces very probably no more scions than a feeble and infertile one. Hence in the upper classes, where such limitation is commonly practised, degeneracy is constantly tending to show itself, and, happily, is constantly being checked by the infiltration of new blood from below. A civilised community, as I have said, has been well described as an organism that is continually renewing itself from its base. According to this view, and it is very difficult to disprove its truth, the real degenerates are to be found among the wealthy as well as among the very poor. The fact is there are two things which are quite distinct but which are constantly confused by popular writers, and even by medical men who write articles in magazines on degeneracy.

There is, first, the degenerate properly so called, who at birth, or, to be quite accurate, at conception is deficient in potential strength. In spite of the best possible environment from his earliest days and onward, he remains a weakling. There is, secondly, the man or woman who has plenty of potential vigour, but being born and reared under very unfavourable

¹ See *Natural Science*, May 1896.

conditions fails to actualise it. Most of what is commonly called degeneracy is really defective development owing to a bad environment, a fact that often comes out very clearly when a boy is taken from the slums at the age, say, of eleven or twelve, and is properly fed and cared for. He turns out a very fairly strong man. If the experiment could only be made of taking married couples from the slums, planting them out in the country and educating them to nurse and feed their children on a sound plan, how grand the results would be ! Degeneracy in many cases would turn out not to exist. Nevertheless there is a strong tendency towards degeneration in civilised nations owing to the low death-rate. Among the well-to-do the comparatively easy environment in which the individual lives and the constant infiltration of less impoverished blood from below do much to conceal it. In the lowest stratum there are no such palliations. Its best men move up, the failures of the higher levels gravitate into it, and it has no recruiting ground below.

What gives individuals or a race abundant vigour is emergence from a hard environment into a kindlier one. A people for whom existence was possible in poverty have a superfluity of energy when they win their way to easier circumstances. Many a Scotchman has felt the advantage of such a change. Coming from a hard climate, inured to hard fare and hard work, he has migrated southward and amid greater plenty has developed unlimited energy. But Scotland now grows luxurious like the rest of the world.

Let us now see how this principle works—the conversion, I mean, of a man's potential energy into kinetic energy by his emergence from a hard environment into a comparatively soft one. Supposing that science and

the growth of wealth, working together, progressively soften the conditions of life, it will result that men become capable of a greater output of energy. Disease, inclemencies of climate, difficulties of diet will interfere with them less and they will be equal to more work. Still degeneracy will follow in the wake of science and wealth as they progress: as the environment grows softer, men will, owing to the survival of the unfit, grow less able to bear hardship, unless there is an understratum of society living in more primitive fashion.

There are often discussions as to the causes which brought about the decay of the Roman empire. There were doubtless more than one at work, but foremost I place this—that the aristocracy, the plutocracy rather, including wealthy plebeians as well as patricians, were unable to enrich their impoverished blood by intermarriage with the scions of a sturdy un-enervated lower class. There was no such class beneath them. The small farmers were ruined by wars and money-lenders and crowded into Rome to swell the numbers of the pauperised proletariat. The mass of the people were slaves, between whom and the free citizens there was no intermarriage. Add to this that, in the days of the later Empire, society seems to have become almost stagnant; there was very little circulation, very little rising from one class into another. The class of smaller landholders on whose diminished numbers the burden of municipal government fell heavily, were not recruited from the plebeian class below them consisting of artisans and petty traders and others. The classes hardened almost into castes, at the bottom being the slave caste. And when there is neither a constant struggle between small groups nor a constant movement of individuals from class to

class, vigorous life is at an end. Stagnation means decay.¹

To return to our own times. Science and wealth are now advancing with unexampled rapidity. Men who would have been crushed by their environment in the days of ignorance and hardship, now find themselves able to put forth energy. But if there were a check to the progress of science, to the smoothing down of whatever is rough, then it would be found that the softness of the present age had been playing havoc with race vigour. And in spite of our uninterrupted advance in science and in wealth, a decline in strength and energy would undoubtedly have become glaringly conspicuous, had there not been a vigorous understratum of society who still lead a comparatively hard life, an understratum that has until now been the unfailing recruiting ground of the wealthier classes. There are signs now that the softening process is extending downwards. If it ever reaches the base of our society, so that the whole mass of the nation live in comfort and luxury, then we shall be in the position of an exclusive aristocracy, between which and the commoners there is no intermarriage. Such an aristocracy must, before many generations have passed, sink into decrepitude. History supplies us with examples, notably that of the French aristocracy, who became to a great extent a caste.

Something now as to the various forms that the softening of environment may assume when wealth grows great and science extends her confines. Sometimes, but by no means always, the change brings greater happiness. Sometimes it comes in the form

¹ See *Roman Society in the Last Century of the Western Empire*, especially pp. 208 and 213, by Samuel Dill.

of better food, more fuel, better clothing, better housing, more open spaces in big towns, greater knowledge of the laws of health and of the way to live. All these are unmixed blessings. Often, however, it leaves untouched all the poverty and the squalor, and the man gets no help from the new enlightenment till he breaks down. When he falls ill, he is taken to a hospital, where science does her utmost for him. When he is well again, or often when he is only convalescent, he is pitchforked back into his old squalid surroundings. I have pointed out that among wild species Natural Selection only works at crises, in a time of dearth or exceptional cold or when an enemy suddenly appears. In the interspaces between such crises each individual has an ample margin of vigour and there is no such thing as a struggle for existence. He enjoys life and fights no enemy because there is no enemy to fight. But in many of the forty-two millions who make up the population of the British isles we do not see very much of this superabundance of vitality.

Mr. Francis Galton remarked once that the poor of our towns seemed to find their environment too hard for them: they were crushed by it. The evil, which exists beyond all dispute, is really, I believe, due to the removal of the crises at which the struggle for existence under natural conditions makes itself felt. In the old days of epidemics or famines the weaklings were swept off. When comparatively easy times returned, though even these easy times were fairly hard, yet their severity was not felt since the people were tough enough to stand it and make light of it. Had they not recently gone through trials far worse? The life of an Esquimau is a hard one, but he is not overmatched by his environment. In

the piping times of plenty he is vigorous enough, we are told, to eat fourteen pounds of salmon at one meal—by no means a noble feat, but still a proof of astonishing vigour.

It is evident that philanthropy should aim at improving the normal conditions of men's lives, not at removing the crises. When these are banished, the margin of vigour is reduced. There is very little superabundance, exuberance, of vitality. It is the bettering of the everyday surroundings that is wanted. An open space for town children to play in does far more good than a free dispensary, which indeed is a very mixed blessing. It is owing to ignorance of sociology that philanthropy often fails in its aim altogether and does harm rather than good. Instead, therefore, of talking vaguely about the social organism, I have tried to explain its physiology, the inner processes on which its health depends. By way of résumé I will now put a few main facts and principles together.

The fundamental principle of our social system is inequality, and on that its health depends. It is made up of a number of strata, the conditions of life being on the whole less hard in any stratum than in the one below it, though whether the average of happiness in each is in exact proportion to its altitude may perhaps be doubted. Individuals and families are constantly moving upward in the social scale. There is a corresponding stream downward which is, however, less in volume. The greater volume of the upward stream is accounted for by the fact that the highest strata do not maintain their numbers. Hence they have to be constantly replenished from below. Owing to the low death-rate degeneration is constantly tending to set in among all civilised peoples, but is

kept in check by the stratification of society and the constant upward movement. Each stratum, except the lowest, has a recruiting ground beneath it, and is constantly being reinvigorated by the best blood of the class that ranks next in the social scale. Its worst members move downward, into a harder environment, and are not infrequently eliminated. And thus the competitive system involves a real struggle for existence. What, then, of the lowest class of all? It is constantly losing its finest individuals and families who move upward, while the refuse of the higher strata sinks down into it. There is no stratum below, the flower of which it can absorb into itself. It tends, therefore, to become a residuum. This is an undeniable fact which legislators and philanthropists should bear in mind. Our lowest class now do not show the high spirit that the peasants showed in the fourteenth century. But in those days society was not organised on the competitive individualistic plan. The pick of the peasant class lived and died peasants and did not climb to a higher social stratum. The morale of society as now constituted depends largely on its stratification. Many men are spurred on to greater energy by the hope of rising above the level at which they were born, and an enormous majority have a horror of sinking. It is not that the class below is degraded and miserable. Its average of happiness may be no less high. But the individual we are thinking of has been brought up on certain lines and with certain ideas. Having had, say, a university education, he cannot bear the idea of keeping a village shop. There is what he considers an abyss below him and this stimulates him to work. He has, in fact, a standard of life. But what of the lowest class? It is among them

that there is danger that there may be no standard of life at all. The more strenuous of them move upward and their places are not taken by the pick of another class. If law did not interfere there would of course be for them an abyss and a very real one, viz. starvation. But when the law does intervene, it may create an artificial abyss in the form of a workhouse, to resort to which is considered either degrading or unpleasant. If no such artificial abyss is created by legislation, but the workhouse is made pleasant and comes to be considered as no longer humiliating; if there is no disciplinary system of any kind; then the lowest class are in a different position from every other, they have no abyss below them. Being from the essential principle of our social system to some extent a residuum, they are in addition deprived of the motive for work which operates so powerfully among the members of other classes. But the state of things might be much worse than it actually is. I have heard it maintained that in the poorest parts of East London there is practically no upward movement among the very poorest: that they remain helpless at the base, a separate caste. If it were so, their position would be much worse than I have painted it, since they would be living without hope, the most miserable state into which men can fall. But there is ample evidence that the very poorest class in London produce men who can and do rise, though they are not capable, as are some few in the north of England and in Scotland who start from the same level, of rising to any great height in the social scale. The picked men from the very poorest stratum in London manage at any rate to live and thrive and die fairly well-to-do.

I have as yet considered the competitive industrial system only from one point of view. There is another point of view and a very important one. But the consideration of it I reserve for the next chapter, which deals with the regulation by the state of the competitive system.

CHAPTER X

INDUSTRIAL COMPETITION AND ITS REGULATION BY THE STATE

COMPETITION AMONG WILD ANIMALS AND AMONG CIVILISED
MEN—THE PRODUCTION OF WEALTH—THE WAY THE LAW
WORKS—REGULATION BY THE STATE AND THE ALTERNA-
TIVES—THE FACTORY ACTS—RESULT OF THE FACTORY
ACTS—HERBERT SPENCER ON LEGISLATION—THE INFLUX
OF IRISH LABOURERS—THE LIMIT TO WHAT THE STATE
CAN DO—THE QUESTION OF THE HOME—SUMMING UP

BY way of introduction to this chapter it is necessary to call attention to what is, perhaps, the very worst side of our social system. The struggle for existence among wild animals differs very widely from industrial competition among men, though this competition does frequently bring it about that great numbers of human beings have to struggle for bare existence. In any species of wild animals each individual depends on the strength, courage and intelligence that are his by natural inheritance. There is, at any rate, if he lives to maturity, a fair field for him and he can make his merit tell. If for the species in question there is a struggle not only between individuals but between groups, he finds himself, as a matter of course, a member of a group, and so he is able to play his part, to reap the reward of his efficiency or suffer for his incapacity. But a man who has only the equipment that heredity has

given him, however good of its kind, such as *strength of limb, soundness of digestion, high spirit and intelligence*, finds that he cannot have any great success in the competition, that he can only compete for the humblest prizes. He requires in addition an equipment of a very different kind, viz. capital. The existence of so-called open competitive examinations is no reason for qualifying this statement. I shall have to recur to them. Without capital it is possible, though under present conditions unlikely, that he may not be able to compete at all even for very humble prizes. From such competition, I believe, it rarely happens that a man who is fairly vigorous and fairly intelligent finds himself altogether debarred. He somehow gains admittance and so is able to aid in production and earn a fair living. Still, it is only by the favour of others, and a man thus admitted is not as a rule able, however richly endowed by nature, to do great things. He starts heavily handicapped as compared with another who inherits not only brain and physique but capital. Indeed capital counts for so much that some, whose natural endowment is but small, yet are able by the help of it to figure as persons of importance. It tells from the very outset of life. The son of a well-to-do man, unless his parents are very foolish, lives in a fairly healthy environment from his birth onward. Nurses, tutors, schoolmasters, books are at his service. And so powerful is the influence of environment that it is often difficult to decide how much a man owes to it and how much to heredity. The possession of wealth alters the whole way of life. It provides its owner with an environment which for a poor man is unattainable. And this brings us to another great difference between a civilised nation and any

species of wild animals. In reality it is the same difference which I have already remarked upon. But the point of view is now different, since I wish to concentrate attention on the individual and his chances rather than upon the race. All lions live very much the same life and so it is with the members of any wild species. Occasionally an individual may develop a particular habit of his own or rise to a prominent position. A kestrel may take to living on young birds and young pheasants in particular instead of making small vermin his main diet. A tiger or a lion may turn man-eater. A stag, who has been defeated and driven off by the lord of the herd, may himself at length gain the supremacy. Still he started level with the others over whom he now domineers. Among men and especially among civilised races things are quite different. Some have from their earliest days an environment that differs widely from that of others. The natural endowment of one is many times multiplied by the favourable conditions under which he has grown up, that of another is reduced and enfeebled,¹ and thus men are trained for the race of life on very different systems, some good, some the worst possible. For wild animals of whatever species the environment varies only within narrow limits; for men of the same nation there are many different environments wide as the poles apart.

Consider now how man obtains the things necessary for his life and comfort. All wealth is got out of the land—the sea being of course included in this term. Labour is of no use when it works *in vacuo*. It must expend itself upon something. It

¹ See Chapter IX. p. 13., where I have given figures that bring out this point.

may win wealth from the earth, it may further elaborate commodities already partly prepared for use, or it may distribute commodities to those who need them. In any case there must be land at the initial stage. At all stages it is still required, though often in small amounts, for without land you cannot build a factory or keep a shop. Now for another fact. The man who gets raw material out of the ground, or who works it into shape for use in his factory, requires something besides labour. He wants the stored product of previous labour, in fact capital. For it rarely happens that work bears fruit at once. Days, weeks, months, even years, of waiting may be necessary. Meanwhile the workers have to be supported: capital is necessary. In the same way if a man is to be a distributor of goods he must first have the means of obtaining goods to distribute. He, too, requires capital. For every enterprise beyond the most trivial, not only labour but the stored product of labour is required at the outset. The man who has "no wealth but sovereign health," who has nothing to depend on but his own energy and intelligence, cannot set to work and grow or manufacture what he requires for his subsistence. He can only become a producer by working for some other man or some company that has the capital necessary to carry on a business undertaking. It is true that if he has any ability and has grown up in a favourable environment, he will probably be able to obtain an appointment that will bring him in a good income, so that he may become to some extent a capitalist. But this good environment is itself the product of capital. The expression "open competitive examination" may obscure this fact. Really such examinations are open only to the sons of the well-to-do, though,

occasionally by the help of the educational ladder a poor man's son of exceptional ability may effect an entrance. If, then, a man is to have the chance of producing commodities, he must have land or capital or both (one may be converted into the other), or else he is at the mercy of other men. Overmatched, beaten and crushed, he may sink into degradation. Our Poor Law saves failure from suffering the uttermost penalty, still he may find himself, owing to ill-success, to want of work in fact, in so hard an environment that his life is much shortened. It is perfectly clear, therefore, that the competitive system does not give a fair field to all. One man may have, to support and reinforce him, the stored products of his father's and grandfather's work; another has little beyond his physiological inheritance, body and brain. The one has a father and grandfather still able to help him. Even though they are numbered with the dead, they are still able to intervene in the fight like one of Homer's gods who would not let his hero go under. The other fights alone.

We are now getting near to another very important point. The dead could not help the living in this way unless there were some artificial condition to make it possible. Otherwise, men might fight for the land and the means of production, regardless of the bequests and the wishes of the dead. As it is, a man may look over the hedge at the crop growing, or may look at the wheels going round in the factory, but he may do no more. The artificial condition, it is obvious, is supplied by the law of the land. A man's inherited capital would be of no use to him, were there no police and no magistrates to maintain him in possession. It is commonly said that the law gives a fair field to all. As a matter of fact, the law, from the nature of the

case, favours the possessor. It puts the "haves" in a strong position relatively to the "have-nots." The stronger the law, the more it favours property. The more efficient the police and the whole machinery of the law, the better it is for the creditor class and the worse for the debtors. Before we introduced European police methods into India, it was only with the utmost difficulty that a creditor could get what was owing to him, supposing that the debtor was unwilling to pay. He was obliged in Hindoo phrase to "sit dharna," to sit at his debtor's door and starve himself till the debt was paid. If he actually died of starvation some supernatural penalty was certain—such was the superstitious belief of the Hindoos—to fall on the head of the person responsible for his death. But a better plan and one more commonly resorted to was to get a Brahmin to "sit dharna" and threaten to starve himself. As Sir Henry Maine says, "no Hindoo doubts what would come of causing a Brahmin's death."¹ But however efficacious this method might be, it was troublesome and costly, and a creditor could not possibly in this style take proceedings against a number of debtors simultaneously. He had to devote his whole energies to one. Moreover a money-lender, if he exacted interest at too exorbitant a rate, knew what might follow. He might any day be lynched. Such rough irregular methods set a limit to usury and prevented the land from falling, as it is doing now in many parts, largely into the hands of the money-lending class. "Sitting dharna" has now been prohibited by the penal code in India. And, indeed, now that the law is so much stronger, what need for the creditor to starve himself? This glimpse at the economic system of pre-British

¹ See his *History of Early Institutions*, p. 40.

India throws a flood of light on the matter we are considering. The law is, of course, impartial. But it has been well said that there is nothing so unequal as equality among unequals. Practically the law, by maintaining things as they are, is all on the side of the possessor and the creditor. I will now put this truth in different words. Wherever there is law, there is supervision of competition by the state. The question of ownership of any piece of property, if the law did not forbid, would be constantly reopened by the "have-nots." The state intervenes to protect the "haves." Not only are they protected in possession during life but they can bequeath their property to whom they will.

Let it not be imagined that I advocate any revolutionary changes. I do not wish that men should be free to rob, that murder should go unpunished. My argument is merely this. If the competitive system of industry depends, as I have shown that it does, on state regulation, may not the state make further regulations? If it is found that, though in intention absolutely impartial, the law favours one class and puts another at a disadvantage, surely it is reasonable that the state should try to redress the balance. As the reader who has followed me thus far must have discovered, I hold that without competition no society can continue sound and healthy. And competition involves a struggle for existence, very much limited by law and by benevolence, but still a struggle for existence. What I advocate is the state regulation of industrial competition at certain points, in order that capital and labour may meet on more equal terms.

There are only three possible alternatives. The state may leave competition free as it is called, *i.e.*

leave it very unequal between class and class, or it may try by regulations to prevent the weaker from being crushed, or, thirdly, it may try to abolish competition altogether, and, on the socialistic plan, itself undertake all production and distribution. The first, the *laissez faire* plan, may be said to have broken down altogether, though, as social evolution proceeds, it may be possible to return to it. The third, the socialist's panacea, seems to me absolutely utopian. The second plan, that of competition tempered by state regulation, is undoubtedly a possible system. Indeed it is the system under which we live. It is not ideal. But it greatly improves the position of both parties. The capitalist is not driven by competition to grind the life out of his employés. The factory worker is not crushed. If he is a man of character, he has a good chance of thriving. As a rule, it is his own fault if he is entirely deprived of things that make life worth living—interests outside his work, hopes and affections. It is by no means likely that if a man has good stuff in him his life will be a mere struggle to keep off hunger.

I shall now try to give some idea of the means the state has taken to make competition more free in reality though less free in name. These means take two forms. The state limits the working hours of the weak, of women and children, and very probably will eventually limit those of men. Secondly, the state legalises combinations among workmen; it allows trade unions, though it to some extent regulates the methods by which they may carry on the struggle against capital. Since in my opinion this state-regulated competition is the only alternative to socialism, I wish as far as is possible within short limits to study its origin and its development,

Under Poor Laws established in Queen Elizabeth's reign, pauper children were to be apprenticed, and pauper apprentices having no friends were often very badly treated. Towards the end of the eighteenth century this fact began to be known. Ill-treatment had, no doubt, long gone on while industry was still domestic, while spinning or weaving went on in cottages, and the cottager's wife and children, and his apprentices if he had any, all did their share. The evil did not begin with the factory system. But a factory is from the nature of the case more open to public inspection. And during the years of distress so frequent during the latter half of the eighteenth century, the number of pauper children naturally increased even before the new Poor Law of 1795 made bad worse. Since the bad state of things had become known and medical men had pointed out how the health of the children declined, and how they suffered from fevers which might easily spread to the rich (a telling argument this), Parliament intervened. The first Factory Act, passed in 1802, aimed only at bettering the lives of pauper children, but incidentally it affected others and so led on to legislation on behalf of all. It enacted that the night work of pauper apprentices in factories was to cease after 1804, and they were to be taught reading, writing and arithmetic. Moreover the factories were to be properly whitewashed and ventilated. The latter regulation, if carried out, benefited the lives of all the factory workers whether apprentices or not. The enforcement of the law was the difficulty, and this was entrusted to the local justices of the peace, who were to appoint inspectors from among themselves. There was no interference as yet with "free" labour. Children of any age, if not paupers, might

work at night. Hence there was a growing tendency to employ non-pauper children whenever they were to be found in numbers sufficient. They urgently needed protection. Sir Robert Peel, in speaking of the 1802 Bill, said in substance, that he was "convinced of the gross mismanagement in his own factories, and, having no time to set them in order himself, got an Act of Parliament passed to do it for him."¹ I quote this from an excellent book, *A History of Factory Legislation*. The authoresses, Miss Hutchins and Miss Harrison, make no attempt to paint in lurid colours the miseries of the typical factory before the state intervened decisively. But they trace the step-by-step advance of Parliament to more effective regulation very clearly, and by a plain statement of the facts they convince the fair-minded reader of the need of state-intervention. The non-pauper children required protection as much as those who were paupers. Often, though their parents would, no doubt, have liked to keep them out of the factories, their poverty made it impossible. Sometimes drunken parents were glad to be partly supported by their children's labour. It was evident, therefore, that further legislation was wanted, and in 1819 another Act was passed, that introduced a new principle. It interfered with persons who were not "children of the state." According to this Act, no child under nine years of age was to work in a cotton mill—other factories were not affected. No one under sixteen was to work more than twelve hours a day exclusive of meal times. But what a week for a child of nine, even though Saturday was a lighter day! And to make matters worse, the factory was often hot and

¹ The date shows that this was not the great statesman but his father,

unventilated. It had been the custom to employ children of six or five or still younger, and they had had somehow to wear through this long factory day. Unfortunately the local magistrates, who were to see that the new Act was carried out, allowed it to a great extent to remain a dead letter. Still the limitation of age was a very definite point gained, and gross evasion of this enactment must have been difficult: a child of five could hardly be passed off as a child of nine. Necessary as legislation was there was a strong feeling against it. It was argued that it was cruelty to restrict children's labour, since they must either work and work long hours or else starve. Many parents looked upon their children as a source of income. Many well-to-do people argued that leisure was a bad thing for the lower orders: for them it was the root of all evil. Since these views were held, it was no wonder that the Act was much evaded. Children were kept during meal times to clean machinery. They did not in the strict sense work. And after a time Parliament granted a relaxation of the law: if machinery broke down the young might work over time or in the night.

An Act passed in 1831 raised the protected age to eighteen, and forbade justices, who were nearly related to mill owners, to be inspectors. But new methods of evasion were soon invented. Only a certain number of children were turned out for rest or for meals. "The children" had been turned out and the law kept. As a matter of fact in many mills no meal time was allowed for children. In 1833 a new Act was passed. Itinerant inspectors were appointed to see that the regulations were properly observed, and by the third year after the passing of the Act no child under eleven was to work more

than forty-eight hours a week, or more than nine hours in one day ; nor was any child under nine to be employed at all, except in silk mills, for with this exception the new Act applied to textile factories generally, not only to cotton mills. No person, male or female, under eighteen was to work more than twelve hours a day or sixty-nine a week. Excellent regulations, but the difficulties of administration were very great. Often the adult workers were eager to evade the Act. Many of the young workers were not employed directly by the factory owners but by the operatives who brought the children to help them. The new Act brought new evasions and in particular a system of spurious relays, a shuffling system. Children, instead of going out to dine, were merely shifted to another room. Parents or guardians had hitherto made statements as to the age of children and they had been accepted. The inspectors now demanded certificates of age from doctors. But it was found that these were often transferred. While things were at this stage, a report on work in mines and collieries was published, which horrified people by the account it gave of grimy women, almost naked, dragging trucks in the dark. Tennyson puts it forcibly—

“ Grimy nakedness dragging his trucks
And laying his trams in a poisoned gloom,
Till at last he crept from a gutted mine
Master of half a servile shire.”

The result of the report was that a Bill was passed excluding women and the young of either sex from mines altogether. In 1844 women were included with young persons, whom the Factory Laws protected.

In 1847 a Ten Hours Factory Act was carried.

But it did not limit the day for males over eighteen, and so the factory owners devised means of keeping their machinery working more than ten hours a day. According to the law there might be women and children working for more than ten hours a day though not the same women and children. In fact a system of shifts might be organised that would make the enforcement of the law impossible. It was evident that there would be no end to the evasions till time limits were fixed, definite hours between which and at no other time might the protected workers be employed. It was enacted in 1850 that they might work only between 6 a.m. and 6 p.m. or 7 a.m. and 7 p.m. Unfortunately this time limit was for the protection only of the women and the youthful of both sexes who did not come within the category of children. For the latter the law allowed only six and a half hours' work on each day of the week or ten hours on three alternate days. And thus relays of children, and consequently evasions, were still possible. In 1853 the normal day was extended to children : henceforth they too might work only during the specified time. This made it impossible to keep the machinery working more than twelve hours. And so there was a gain for the adult male also. Since then the Factory Acts have been extended from textile to other mills. The Act of 1878 affected even domestic workshops in which only the members of a family were employed, provided that mechanical power was used on the premises.

After this very brief review, in which I have followed Miss Hutchins' and Miss Harrison, of the efforts of the state to regulate the working of the factory system, we are in a position to judge how far it had succeeded in its object. The state of things when the

law merely looked on and let competition take its course, was intolerable. In some ways it was worse than absolute slavery. If a slave owner kills his slaves by overwork, he must buy new ones or do without. He must, therefore, think to some extent of their health. If for a time there is no work to be done, he must feed them, or he will lose their future services. But under the competitive system, when labour is "free" and there is more than a sufficient supply, an employer may shorten the lives of his work-people without himself suffering. There are more to be had. When there is a slack time, he can turn them off and let them somehow shift for themselves. If they starve, other workers will come and take their place. The system, when not mitigated by humanity or by the independence of the workers or by law, is cruel to the last degree, and yet an employer who thus carried it out might be, and in many cases was, a humane man. Competing, as he was, with other capitalists, he was obliged in times of depression to close his works if he was not to become a bankrupt. He was obliged, moreover, to over-work his factory hands. This fact, was, of course, more or less clear to the more thoughtful of the employés, so that the personal ill-feeling that a cruel slave-owner inspires was not aroused against the average capitalist in the old days of cruel exploitation. It was not he personally, but the system, that was cruel. The slave-owner, if he is over harsh, may be murdered. He may goad some wretch till he is reckless. But before the days of state intervention, a factory owner might be grinding more work out of his men, women, and children than ever a slave owner could extract out of his slaves, and yet feel all the while that he was only doing what was necessary to keep his own head above water. David Dale, the pre-

decessor of Robert Owen at New Lanark, was noted as a humane employer, and yet the children in his cotton mills worked for eleven and a half hours a day. The working day lasted thirteen hours, and an hour and a half was allowed for meals. There were no doubt employers, and not a few of them, who, under the stimulus of necessity or of greed, became utterly indifferent to the condition of their work-people. Even humane men grew callous, for one can get used to anything.

The question is—Did the intervention of the state make things better? There can be only one answer to this question. When at length the law took satisfactory shape and evasion became impossible, not only did the health of the workers improve but our trade grew amazingly, so that employers, who had been bitter opponents of state-imposed restrictions, were converted and in many cases frankly owned that they had been wrong. No doubt, the greatly increased wealth of the country, due mainly to machinery and the factory system, contributed to the better condition of the poor. But it is possible that a country may be hugely wealthy and yet the wage-earners down-trodden and in misery, having no share in the prosperity. It was from this wretched condition that state regulation did much to save the English working classes. Perhaps the strongest testimony to its success is to be found in the conversion of politicians, for example Macaulay and Mr. Roebuck, who had been upholders of the system of *laissez faire*. A man's theories are his own children: he does not willingly own that they are mere monstrosities. And yet Macaulay and Mr. Roebuck frankly confessed that the great Whig principle of letting things take their course brought misery to workers in factories, and that state

regulation was a cure for the evil. Take now a representative of another school of thought. Karl Marx, though a socialist whose tone is normally bitter, owns that legislation, after years of failure, at last in 1853 became effective. Two things had been made plain : the state was able to protect factory workers, and by so doing it did not cripple industry. Indeed, the improvement in the condition of the people may be looked upon as one of the reasons of the enormous growth of our commerce.

Herbert Spencer in *The Man versus The State*, which he published in 1884, condemns legislatures because they so frequently find it necessary to repeal the laws they have passed and substitute new ones in their place, these new laws, in their turn, often proving ineffective. It seems that from the Statute of Merton (Henry III.'s reign) to the end of 1872 there have been passed no less than 18,110 Acts, four-fifths of which it is estimated have been wholly or partially repealed. But this is not in itself a proof of the folly of legislatures. New times and circumstances require new laws. Between 1802 and 1901 there were passed forty-three Factory Acts, and of these some twenty have been repealed.¹ Many are extensions of Acts, that had proved sound, to other trades. Some were necessitated by the growth of public opinion in accordance with which the state raised the minimum on which it insisted. Many were due to evasions : it was essential to stop every loophole, and Parliament had to learn from its own mistakes. No doubt there was a plentiful lack of wisdom shown on occasion by the Legislature, and at times there was much half-heartedness. The history of factory legislation illus-

¹ See *A History of Factory Legislation*, by B. L. Hutchins and A. Harrison, Appendix C.

trates the timid, often painful, process by which a nation grasps an idea. It is analogous to the mental history of an individual when some cherished opinion is assailed by a new idea that clamours for admittance. There is often a long period of hesitation and reluctance before the new-comer, though indisputably in accord with objective fact, at last makes good its claim. Sometimes the door is shut against it altogether. And there are, I suppose, still people who would say that it would have been better for the country if there had been no Factory Acts at all.

It is possible that Factory Acts are only a temporary necessity. The real safeguard of the workers against oppression should be their determination not to submit. But, as yet, the factory hands were too weak, too uneducated, to organise, to agitate, to move Parliament. The smashing of machinery showed their helplessness, and, mainly, it was the awakening of the moral sense of the community as a whole that won for them the protection of the law. As the years go on, it may be found that the working classes generally are able to insist on better conditions than those which the law makes obligatory. They may be able to dispense with the ladder by the aid of which they climbed. But this will only be possible if immigration, on a large scale, of people who represent a lower social stage, is prevented.

The influx of Irish labourers certainly aggravated the distress among the English labouring class in the earlier half of the nineteenth century. In 1811 this immigration was already considerable. If the newcomers had had the same standard of living as the English workers, not so much harm would have been done. But they came from a land where poverty had come to be regarded as inevitable, a

poverty, moreover, that was not struggling and laborious, but happy-go-lucky and vivacious amid squalor. The poor Irish immigrants were little fitted for town life. The habits which were barely tolerable in the wilds of Connaught they kept up in the crowded quarters of English towns. For it was to the slums of the big towns that they found their way. A large family often lived in a single room, and sometimes this single room was a cellar. And "the gentleman who pays the rint" shared in some cases, it is said, the cellar with the family, just as he had shared the cottage in Ireland. The Irish quarter in any of our big towns was noted for the filth, the roughness and the drunkenness of the inhabitants. They lived mainly on potatoes and whisky. A heap of straw and an old packing case for a table were often all the furniture a family could boast of. Their clothes were mere rags. People, whose wants were so few, were, of course, content with the lowest of wages. And as the result the English workers suffered cruelly, having often to sink below the standard of living up to which they had worked their way. Both races were equally to be pitied—the Irish, since they found themselves living under conditions for which their previous experience had not prepared them; the English, because they were subjected to the competition of labourers who looked upon squalor and semi-starvation as the natural state of things, and made little effort to struggle out of the mire. The moral of it is, that competition is sure to reduce the labouring class to misery when there are constantly arriving shiploads of people who are content with far lower conditions of life than those to which the native population have become habituated.

The misery in Chicago and some other American cities at the present day would never have been so great had there not been a vast immigration of people who had no standard of life. The immigrants do not as a rule represent lower races, so that in time, no doubt, the evil will be cured. Meanwhile it is great and grievous. There may be a time when one of the chief duties of Government will be at all costs to exclude people of some inferior stock who undermine rather than compete, and to prevent the too rapid influx of immigrants who, though of a good stock, yet represent a lower stage of civilisation. In England such an influx is having disastrous effects in certain localities, notably in some parts of London.

As far as factory legislation is concerned, the state has done its work fairly well. It has fixed a minimum standard, and from the nature of the case that is all it can do. An individual may do much more. Robert Owen made it the main object of his life at New Lanark to improve the condition of the population who were dependent on the cotton mill in which he was a partner. He was the friend of all the workers and of their children, the latter more especially. All regulations became human since they were the expression of his friendship. The state can only regulate such things as sanitary conditions and the length of the working day: it cannot by law create sympathy. If it insists on too much it may destroy what friendly feeling exists, but it is doubtful whether that is often the effect of its intervention. There are still employers who give much thought to the welfare of their men. Even companies in some cases behave as if they had a soul to be saved, though for them the personal touch is impossible.

One more point requires comment. The state now sends its representative to look in upon the family workshop if mechanical power is used. Is any danger involved here? Certainly the secrecy of the old Aryan home is no more. An Englishman's house is not his castle as it was. But it is not by such inspection that the state is likely to destroy the home. It merely insists on an irreducible minimum standard, and that only in cases where the home is a workshop. The ordinary home is not interfered with. The danger to family life comes not from inspection so much as from the assumption by the state or the municipality of the duty not only of educating children but even of feeding them. This schooling begins at an absurdly early age, and, to make matters worse, some municipalities go the right way to demoralise the parents by feeding at the public expense any school children who seem to be underfed, a subject to which I shall have to return.

Summing up, we may say that state regulation has led to an increase of freedom. It has saved the factory workers from being so crushed that they could take no part in the competitive struggle. Now that the labourers as a class are better fed, better clothed, to some extent educated, a man who is at all above the average in brain or in character has a reasonable hope of rising to a higher position. He may be entrusted with responsible work or he may start a business of some kind for himself. The wish to rise in life, to "better oneself," is not, whatever socialists may say, a thing to be reprobated. It ought to be easy for the efficient to rise and the inefficient to sink. Indeed, a large community cannot be healthy unless such a movement from class to class is continually going on. It is a good thing, for example, that it

should be possible for a working man to rise to be a cabinet minister, though, no doubt, jealousy may be aroused. Such a career must put hope into thousands; success so conspicuous, by stimulating ambition, may save many lives from going to waste.

In conclusion I must point out what I have *not* said. I have not admitted that the state is able to carry on the business of production efficiently and economically. I have only said that it has with good results intervened to regulate our competitive economic system at certain points. To be umpire or referee is a very different thing from playing the game oneself.

CHAPTER XI

TRADE UNIONS

TRADE GUILDS—REPRESSIVE LAWS—SOCIALISTIC TENDENCY—
IMMUNITY OF THE FUNDS OF TRADE UNIONS—THE WAR
OF CAPITAL AND LABOUR—THE WARS OF VILLAGE COM-
MUNITIES—THE GOOD DONE BY TRADE " WARS "—THE
SEAMY SIDE OF TRADE UNIONISM

AS soon as men begin to feel that as individuals they are helpless, they will form associations for mutual defence. Whenever we see a tendency to any kind of socialism we may feel sure that individualism has to some extent broken down and that its freedom has proved to be illusory. Trade-unionism, though in principle a very different thing from the socialism of the present day, is obviously itself a limited form of socialism, for purposes of defence only. Under the competitive system of production it was inevitable that Trade Unions should spring into existence. The capitalist was strong, the individual workman was weak. The workman, therefore, must combine with his fellows. The law might make all such associations illegal ; it might condemn all Trade Unionists as conspirators. Nevertheless Unions would exist as secret societies, far more likely to fly in the face of law than if they were legalised and protected. The law cannot kill them out, but it can humanise them by holding over them its protecting ægis.

Old-fashioned Liberalism could not tolerate Trade Unions. They were associations "in restraint of trade." They aimed at coercing the master into giving higher wages or shortening the hours of work. They were putting a stop to free competition, and even to dream of doing this was a deadly sin. But these old-fashioned Liberals did not see things as they were. For the worker as an individual there was no real freedom. Hunger made him a slave. He could not bargain freely. Unless he had some quite exceptional skill, he must work for starvation wages or perish. Trade Unions could not, therefore, put an end to freedom any more than sportsmen can kill out tigers in our English woods or hippopotami in the Thames. What they did was this: they gave up competing as individuals, and banded themselves together, so as not to be at the mercy of a formidable opponent—and this quite accords with orthodox Darwinism. They were doing what many animals lower in the scale do—forming an association for mutual defence. In early times men combined in tribes or village communities from sheer necessity. An individual, standing alone, could take no part in the competitive struggle. He had, therefore, to sink his individuality to some extent and become a member of an association. In modern times, under the shelter of strong central governments, individualism has grown strong. The individual who has had capital and knowledge to help him has found many and wide fields open to him, but the individual working man has been cramped and oppressed by the freedom of others. The law said that there was a fair field for all and no favour, but in reality law was, in its working, on the side of the capitalist. Combination is the great resource of the weak, and so Trade Unions arose

inevitably, to save the workers from being crushed in an unequal contest.

Trade Unions must be clearly distinguished from the old Trade Guilds. The members of the latter were capitalists in a small way. They employed journeymen and apprentices, though the number was strictly limited by their rules. All the work turned out was inspected, for the Guilds took a pride in producing only sound goods. So far they bear no close resemblance to any existing institution. However, after their most flourishing age was past, there was a good deal in common between them and Trade Unions. They tended to become very exclusive, unwilling to admit as apprentices any but the sons of guildsmen. Just as Trade Unions make bitter war upon non-unionists, who would work cheap and lower the standard of living, so the Guilds jealously guarded their preserves and tried to crush competition.

Towards the end of the eighteenth century, English workmen felt the need of combination as they had never felt it before. But Parliament, horrified at the excesses of the French revolutionists, and feeling that liberty is a good thing only when it is fettered and stifled, was not inclined to legalise any associations that might probably or possibly have revolutionary aims. In 1799, a time of great distress, a law was passed making all combinations of workmen, whether to obtain an advance in wages or better conditions of work, illegal. Previously there had been similar repressive laws dealing with particular trades. Now for the first time the law was made general, so that there might be no further need to legislate for special cases. But though the law was made general it does not seem to have been always enforced, and we hear of associations of workmen negotiating in a friendly

way with their masters. On the other hand there are plenty of instances of the harsh enforcement of the law. The London carpenters struck against a reduction of wages, and two of them were imprisoned for joining an illegal combination. The masters on their side had combined, but the men when they prosecuted could not get a verdict.¹ This unfair treatment inflamed class hatred. It was a time of angry discontent which showed itself, especially in the years 1816 and 1817, in riots and disorder. At length after a prolonged struggle between capital and labour the statutes against combination were repealed. Though they were given no definite legal status, associations of workmen ceased to be illegal.

An association that is merely "not illegal" suffers from various disabilities. A Trade Union in this halfway stage towards legal recognition could not even sue its treasurer if he made free with the funds. But, as time went on, one point after another was conceded, and now Trade Unions have as firm a legal basis as any corporation. It would be very interesting to follow out the course of this evolution step by step, but this is clearly not the place for it. One phase, however, I must not pass over, since it brings out clearly the strange nature of trade "wars" and the great difficulty of framing laws that shall not tell strongly in favour of one side or the other. To speak of a strike as a game, there is no game in which more depends on the rules and the refereeing. In 1871 an Act was passed which recognised strikes as things that may be right and proper but made illegal the methods by which workmen are bound to carry on a strike if they are to have any chance of success.

¹ See Cunningham's *Growth of English Industry and Commerce* (Modern Times), p. 645.

Even peaceful picketing became criminal. Seven women were imprisoned for saying "Bah" to a "blackleg." Employers might "black-list" men and keep them out of employment, whereas workmen were bound hand and foot by the law. In 1875 this state of things came to an end. "Peaceful picketing" was expressly permitted, and, as Mr. Sidney Webb says, "collective bargaining with all its necessary accompaniments was, after fifty years of legislative struggle, finally recognised by the law of the land."¹

But these triumphs have not produced contentment. Trade-unionists have not obtained by any means all that they want, and, moreover, the demands which they now formulate are of a different nature from any that were formerly found in their programmes. Trade-unionist opinion shows a marked trend in the direction of socialism. There is no longer a demand for peasant proprietorship, but, instead of it, a clamour for land nationalisation. And the Trade Union Congress passes resolutions in favour of the nationalisation of all the means of production. But how much importance we are to attach to such abstract resolutions is a question. The ardent socialist, who at first will be content with nothing but the formula, the whole formula unmutated, often learns after a time to be satisfied with something that, strictly speaking, is not socialism at all but only something that might possibly be thought to lead to it. A closer inspection of the real thing chills the ardour of the devotee. What is admirable in Utopia, appears hideous and squalid as soon as it begins to become a concrete reality. And so many a socialist as he grows older is like

¹ *History of Trade Unionism*, p. 275.

William in Tennyson's poem. Nothing would make him marry Dora.

"The more he looked at her
The less he liked her."

And it must be borne in mind that socialism is only accepted by the Trade Union Congress as an abstraction. No proposal to make it part of a definite working programme has ever been accepted. Any attempt to bring it into the region of realities has always met with a rebuff.

We must now turn to the consideration of a question which Parliament has dealt with in a way that has startled and horrified many men who as a rule are in favour of everything that makes for greater freedom. The matter has a curious history. At one time, as I have said, Trade Unions had not a definite legal status but being merely "not illegal" could not sue or be sued. Though their position became more and more firmly established, nevertheless they did not completely cast the slough of their old legal disability. Sometimes the disability proved to be an advantage, otherwise they would have clamoured for its removal and would have probably succeeded in getting it removed. Not to be in the full sense a corporation was a great advantage, since the result was that the Union could not be fined. Its funds were immune. This was believed to be the law till the celebrated Taff Vale Railway case came up for decision before the House of Lords in 1901. The decision of the final court of appeal changed the face of affairs. The law no longer held that the funds of Trade Unions were immune. The Union was a corporation responsible for the acts of its agents, and might be fined like any other cor-

poration. In this particular case the Union concerned had to pay a very heavy fine.

The present government was compelled to deal with this question. The Attorney-General brought in a Bill according to which the workmen's Unions might be made to pay damages when their responsibility for a "tort" could be proved. But the labour members were up in arms against this. As one of them frankly put it, they did not want to be "at the mercy of the law." Accordingly the government executed a complete *volte-face*, and the Bill actually passed declared that the funds of the Union were to be immune. Of course associations of employers had to be put on the same footing. They too may not be mulcted by the law, but, since the individual employer may, this is not of very much importance. When the Bill was before the House of Lords, Lord Lansdowne's attitude was remarkable. He disapproved utterly of the measure. It said, as he put it to the workmen and the employers, "Go at each other's throats." The law would not intervene to stop the fight. Still, as he was sure that the House of Commons had a definite mandate from the country, he recommended his party not to oppose the Bill, and they took his advice.

It will be very interesting to watch the working of the present law or absence of law. Certainly it is a somewhat startling new departure. But we must be careful to speak of it without exaggeration. It is not a legalising of trade "wars" for the first time, for the way that trade disputes have been decided hitherto, when arbitration has failed, has always been of the nature of war. The recent Act has only altered the rules. And all that we have to consider is whether the new rule has given one side

too great an advantage. First it is to be noticed that things were in the same position before the Taff Vale case, though it seems then to have been due to the careless drafting of the Act. The present state of things is new only so far, that Parliament has now for the first time with its eyes open made the funds of the Union immune, and we must survey the situation thus deliberately created.

When a strike takes place each side is trying to coerce the other into making concessions. The law allows war to be carried on under certain rules. The legalising of strikes is the legalising of war. Such wars must go on unless the state becomes the universal employer or asserts its right to arbitrate whether the contending parties consent or not. Both of these latter alternatives are out of the question in the opinion of almost all thinking men. That being so, strikes must be allowed, and the question is—What rules must be made that the contending parties must observe? Now the workmen are quite willing that any of their number who have been guilty of violence should be punished. What they object to is the fining of the Union on the ground that outrages have been committed by its representatives. If the victory is to him who has most money they feel sure that the capitalist will win. And they distrust juries, which they say, and say truly, are chosen exclusively from the capitalist classes. Is it possible, they ask, that the verdict should be impartial when class sympathies are strongly enlisted?

On the other side, it may be urged that unless the Union is held responsible, it is very difficult to punish violence as it deserves. If an individual unionist is fined for assault, the Union may, if it thinks fit,

pay the fine and so the punishment may count for nothing. Nor does the individual mind a few days' imprisonment. Besides this, picketing, even if "peaceful," may really be of a very objectionable kind, and yet the law may not be able to touch the offenders at all. A "blackleg" as he is going to or coming from his work is "merely argued with," but the argument may take the form of threats, may call up a very realistic vision of a broken head. Altogether it is a case where our spick-and-span civilisation has to own itself nonplussed. All that the law can do is to make the rules of the fight as fair as possible for the two parties. On the whole it seems that capital has even now the advantage. It has the means of production in its possession and the men cannot get hold of them. For there is one point, the sanctity of property, with regard to which the law knows its mind and never wavers. Without the means of production the men are helpless. They must live on their accumulated funds or the subscriptions of their friends, which two resources must fail them before long, and then they will begin to feel the pinch of hunger. The capitalist on his side sees his machinery standing idle. He frets because he cannot carry out contracts and because orders are going to other firms, British or foreign. His hair may turn grey from anxiety, but he does not suffer from actual hunger, does not see his children pining for want of food. I have now touched upon the saddest part of the whole business, and here the workmen have, though not a monopoly, yet a larger share.

From the historical point of view, these trade "wars," at which government looks on and owns that it cannot intervene with good results, have a great interest.

They recall the days when governments were weak or bad, and men formed small communities to protect themselves from other small communities or against marauders or tyrannical potentates. The bone of contention was not the same as now and yet not so very different. They fought for cattle or for land, in fact for the means to live and thrive. Or else they rebelled against the exaction of extortionate taxes. Arbitrators they distrusted just as arbitrators and juries are distrusted by working men now.

But the trade "wars" of modern times are not interesting only to the student of history from their analogy to the petty local feuds that were always blazing up in the early stages of human history. We have to face the practical question: Ought they to be allowed to go on, or ought they, at whatever sacrifice, to be somehow put an end to? There is no doubt they entail much absolute misery. Nevertheless they bring out a great deal of good. Those who believe that war has promoted evolution from lower to higher types, that it has eliminated or driven into holes and corners inferior peoples who were dull and muddy-mettled, incapable of loyalty and self-sacrifice, that it has brought the nobler races to the top, established them on the best parts of the earth's surface, and, after establishing them there, kept alive their strength and their energy—those who hold this belief cannot look upon the "wars" of labour and capital as an unmixed evil. If the men were now a crushed and down-trodden class, no benefit could possibly result. But the fight goes on with spirit on both sides. Sometimes good humour survives the strain: during a recent strike the masters sent their men a Christmas dinner. As a rule the men do not strike because they are absolutely badly

off, but because they think that capital is taking an unfair share of the profits. They fight with spirit as our peasants fought in Wat Tyler's days, though the method of fighting is quite different. But it must not be imagined that this is any evidence of revival of spirit in the lowest class of our social order. Trade Unionists are the aristocracy of labour, and the way in which they stand up for themselves and use each point gained as a stepping stone to further claims is a proof that they have already risen to a certain level of well-being. It is not a question of *la misère*. They are moderately prosperous men organising and laying their plans for further improving their position. Sometimes they are altogether defeated, but even then they make good their claim to be treated with respect. Occasionally a cowardly outrage disgraces a strike, but public opinion, including I think the opinion of the great body of working men, severely condemns such things, and public opinion counts for much.

I have not denied that these trade "wars" often cause great misery. But as a rule any particular trade suffers from the strain and stress of a strike only at distant intervals. A period of at least moderate prosperity is interrupted by a storm. It comes as a crisis comes in the lives of wild animals, for whom a struggle for existence suddenly begins after a time, short or long, of undisturbed peace and abundance. Struggle and conflict are an integral part of our industrial system and it is impossible and undesirable to eliminate them altogether. Strikes, though they undoubtedly cause suffering, yet bring out the good stuff, and notably the spirit of loyalty, that the men have in them. We must carefully distinguish such recurrent troubles at the present

day from those with which factory legislation has dealt. In that case there was chronic spirit-breaking oppression, and the working classes were in danger of sinking into economic serfdom. In this case there is no such danger and it would be ridiculous to speak of Trade Unionists as spirit-broken. Indeed, the Labour Party is becoming imperious and overbearing. And as time goes on, it is probable, as I shall show in a later chapter, that the position of the working man will become stronger, though capital will always hold in its hand the best card of all—the possession of the means of production.

I must not bring this chapter to an end without for a moment looking at Trade Unions from another point of view. Existing, as they do, in order to protect the working man from the capitalist, they do not concern themselves with excellence of work, except, indeed, to discourage it. One man's work may be infinitely better than that of another, but the Union claims that the two shall be paid at the same rate. To allow payment according to merit is to allow competition between individual workmen, and it is mainly to limit such competition that Trade Unions have been formed. And since they are opposed to the special remuneration of specially high-class work, it results that Trade Unionists look askance at excellence itself. The man who aims at excellence seems to be aiming at making a position for himself, whereas their aim and object is to keep their ranks unbroken. It is true that every self-respecting Union claims to number in its ranks none but capable workers, and, undoubtedly, a very inefficient workman is likely to be frequently out of work, and so a burden upon the common fund. Nevertheless men find their way in whose skill is very little to boast of. But what I wish

to emphasise is, not that the Unions sometimes admit men as members whose work falls below a reasonable level, but that they cast an evil eye on pre-eminent excellence. Moreover, they look with disfavour on the man of exceptional energy, on the man who gets through more work in the day than the average man can do or chooses to do. Even if the men's elected leaders issue no orders or give no hints on the subject, yet such energy is against the spirit of the Union. It savours too much of individualism, whereas what is wanted is solidarity. And Unionists hold the theory, which is true only if we consider one trade by itself, and not always even then, that if the output of work per man is increased, fewer men will be required, and that there will be a consequent dearth of employment. Accordingly, if it is possible for one man to tend several machines, they try sometimes to make *one man one machine* the rule.

And then the Union stands for slow work and work not of the highest order, and it stands for stagnation. The employer, on the other hand, represents progress and energy. Competition drives him to speed up his workmen, though, if he is wise, he always treats them with consideration. He clutches at new inventions that may make the products of his factory either cheaper or better or both. If his men are slack or perverse, he is all the more stimulated to introduce new machinery that may enable him to dispense with the services of some of them. And here is the irony of the situation : the workmen are enemies to new inventions and labour-saving machinery, but by raising the price of labour they set the brain of the inventor to work. The capitalist is determined to have work done rapidly, cheaply and well. If his workmen balk him, he appeals to the inventor, who supplies

him with a machine that will do what he wants and will not go on strike. And thus the Trade Union tries to be the drag on the wheel but is really a whip that goads on the horses.¹ This is patent to anyone who gives the subject any thought, but I hardly think it is the reason that so many Trade Unionists are declaring themselves socialists. It is, rather, a fact that requires no thinking to bring it home to them, the fact that Trades Unions sometimes fail altogether to prevent a reduction of wages. Instead of looking upon such reductions as the inevitable result of a temporary depression of trade, workmen are apt to find in them evidences that there is something wrong about their system of combination. If they would only read the history of Trade Unionism, they would be more grateful to it for the undoubted services it has rendered them. For, though it stimulates invention and thus quickens a process that it would, if it could, stop altogether—the replacing of men by machines—nevertheless Trade Unionism is a true friend to working men. It helps them to face each crisis as it arises, to bear the strain which economic evolution involves. Combination has saved the individual from being crushed.

¹ This point is clearly brought out by Mr. W. H. Malloch in his *Critical Examination of Socialism*.

CHAPTER XII

THE BUSINESS CAPACITY OF GOVERNMENTS

ANCIENT STATES AND MODERN STATES—THE ADMINISTRATION
OF THE LAW—THE WAR OFFICE—THE NAVY—THE POST
OFFICE—THE PRESS—SUPPOSED GRAVITATION TOWARDS
SOCIALISM—SOMERSET HOUSE—CONCLUSION

OF ancient states Rome was by far the most efficient, but it was only in a few departments that her efficiency showed itself—mainly in the administration of justice, the organisation of armies, the conduct of war, the making of roads. The government did very little for the ordinary citizen compared with what the modern civilised state undertakes. The Pax Romana was a wonderful thing, but the narrow streets of Rome herself were often scenes of turmoil. The rich rode in their palanquins and their myrmidons in very rough style forced a way for them through the crowds of poor men. If an ancient Roman could have seen the rolling stream of traffic in Oxford Street suddenly arrested by the uplifted hand of one solitary policeman, he would have been dumbfounded with astonishment. Modern Rome compares favourably with ancient Rome in many ways. The ordinary inoffensive person goes quietly on his way unjostled and unmolested. In the streets there is not even the plague of beggars that makes other Italian towns so objectionable. And again, the lighting of the streets is a modern thing, one of the many things the ancient state and the ancient

municipality left severely alone. And yet modern Italy is not considered to be in the vanguard of progress. We expect to find a falling off when we pass from London, Paris or Berlin to Rome, to find things, less spick-and-span. And so we do. On entering Italy, we are struck by the crawling slowness of the trains. The passage of the Alps no longer presents difficulty, it is the railways on the southern side—so the impatient traveller feels—that form the barrier between him and Rome. Not long ago (some three years back, I think) they were taken over from private companies by the state, and those who are in a position to judge maintain that there has been no improvement but rather the reverse. But the Italian railways are only unsatisfactory when we gauge them by the high standard attained in some more northern countries. It is all a matter of comparison. Adopt a lower standard and the rapidity of travelling is marvellous, and the punctuality of departure and arrival no less so. The ancient state did not undertake to convey citizens from place to place : Horace when he went on his celebrated journey to Brundisium got there somehow. The journey was slow and, parts of it, hugely uncomfortable, but of course it never occurred to Horace to maintain that the state ought to concern itself with the comfort and convenience of travellers.

Then again the state did not carry letters. Cicero is always trying to find someone to whom to "give a letter," someone in fact who is willing to act as post-man. The modern Italian government does, and does fairly well, many things which no ancient government ever attempted. I think it important to bring out this point since Herbert Spencer in his *Man versus the State* injured a very strong case by overstating it. It is quite true that governments, as a rule,

manage their business less efficiently and much less economically than private persons and private companies manage theirs. This we must grant. But it is by no means a case for wholesale condemnation. The administration of our criminal law is in many ways admirable. Most of the judges are clear-headed men and men of sound judgment, and all are unbribeable. The magistrates, paid and unpaid, on the average do their work very fairly well. The police are able to maintain order without the use of violence. No doubt the law is very foolish in its treatment of very small offences and of first offenders. But all human institutions are imperfect, and let us hope this defect will be remedied. Still it would be well if we gave up boasting about the Habeas Corpus Act, that palladium of English liberty, and set to work to reform our civil law. Trial by combat, it has been well said, exists in a more degraded form than in ancient days. The two antagonists, instead of depending on their fighting qualities, trust to their wealth. Money is the weapon for attack and defence, not sword and shield. The man with the longest purse wins.

The War Office, as everyone knows, is not remarkable for the prompt despatch of business. It suffers from red tape, the disease to which officialdom always has been and always will be subject. There is no doubt that all very big business concerns do tend to become diseased and for a very obvious reason. If subordinate officials are allowed a free hand, they may break out into some wild vagary or they may peculate. The latter danger has always to be faced. You must either find absolutely honest men, or else, by means of a system, deprive your employés of opportunities of peculation. An elaborate system

of checks has to be organised so that the work of each subordinate department is subjected to constant supervision. The bold plan is to decentralise—to let, for example, each Volunteer corps have a certain amount of money to expend as the commanding officer thinks best, or to require only the sanction of the general commanding the district for outlay up to a certain amount. Whether this plan turned out admirable or impossible would depend on the character of the men who had the working of it. We are all in favour of decentralisation, but we do not make up our minds to take the risks. Let us take a typical case and see how our existing system works. A Volunteer cadet corps wants a supply of rifles. The demand has to be sent in to the officer commanding the Volunteer corps to which the cadet corps is attached. He sends it on through one or more offices till at last it reaches the slow-beating heart of the great organism, the War Office itself. The demand is either granted or refused, and the answer at length returns to the applicant by the same route as it went by, being stamped at each office on the up and the down journey.¹ It is evident that much that we stigmatise as red tape is due to the defects that are incidental to mere bigness. Distrust of subordinates leads inevitably to over-centralisation. But what if, to make matters worse, there is a want of intelligence or zeal in the officials who work the cumbrous machine? There are, no doubt, many civil servants who are intelligent and zealous. There are others who are content to do the beggarly minimum of work. Men of this stamp are hard to galvanise and hard to get rid of. A private company must

¹ Under Mr. Haldane's Territorial Scheme, there has been a re-organisation—let us hope, a simplification.

fling such dead weights overboard or suffer the inevitable consequence, loss of business and, eventually, bankruptcy. A government official must be very slack if he is to fall below the standard of minimum efficiency and receive his congé.

The efficiency of the Navy so far as it depends on the zeal of officers and men is beyond dispute. Even in time of peace there is much difficult and responsible work to be done. The management of such an engine of war as a modern battleship, so complicated, so costly, is no easy task, no light responsibility. And perhaps the grandest thing about the service is the readiness of commanding officers to take risks, to dispense with pilots, to try hazardous manœuvres, and that though little mercy is shown to failure. They are stimulated, no doubt, by the fact that much is expected of them by the nation. For it is realised by almost all our population—all but a few members of Parliament and some others of the most ignorant—that our very existence as a nation depends on the strength and efficiency of our fleets. And yet it has been found necessary to found a league to din into the ears of ministers that the Navy must be kept up. I am not saying that all administrations have required to be thus goaded on, but it cannot be denied that without this stimulation some would have altogether neglected their duty to the nation. Now, the Navy is a branch of the public service that less than any other ought to be dependent on such goading. If the government's conscience grows torpid even with regard to naval questions, what can save Somerset House from lethargy? But first let us consider the working of a much more wide-awake department than the last named, viz. the Post Office.

Every reasonable person will acknowledge that in

some departments the Post Office is highly efficient. It hardly ever happens that a letter goes wrong. Deliveries are frequent. Even in the most out-of-the-way parts of the United Kingdom, even in remote little islands, letters are handed to the persons to whom they are addressed instead of being left slumbering at the nearest post office till called for. Even if the address is almost illegible a letter generally arrives safe. There are officials whose special duty it is to make out the puzzles which enigmatic handwritings provide in such plenty. Moreover the Post Office is in a sense a financial success. It makes a large contribution annually to the national revenue and yet we do not pay over highly for the postage of letters or for telegrams. The profit made by the Post Office is so considerable that it would be able, I am assured on good authority, to pay a dividend of more than three per cent. on all the capital expended. All capital expenditure now comes out of profits, and three per cent. interest is paid on the sum spent on the purchase of the telegraphs.

The facts being as I have stated them, it is no wonder that socialists point to the Post Office and say, "If the state can manage a big department so efficiently and so economically, it is capable of managing all production and distribution." Truly a wonderful inference, but not more wild than many of the flights of socialist logic !

Let us first investigate the facts. The Post Office makes a handsome profit, and yet it carries letters fairly cheaply, nor are its other charges very exorbitant. Still letters might be carried ever so much cheaper. The cost per letter is on the average about a half-penny. Why is the Post Office able to make on each a profit of 100 per cent. ? Obviously because it has a

monopoly. The ingenuous socialist will say, "When the state has taken over all the machinery of production and distribution, it will have a monopoly of everything, and so it will have no need to make a profit." This is a very naïve argument. But in refuting it, I am not knocking down a man of straw whom I have myself put up, since it is an argument that is very often used. If the state becomes the universal producer and distributor, it must work economically or else the mass of men will be far worse off than they are now. Does the Post Office work economically? This is a question which must be answered in the negative. Take the Telephone department. It pays a dividend of four per cent. on the capital invested. But, according to Mr. Harold Cox, M.P., this is partly illusory, since not enough is allowed for depreciation of plant, and since the same officials are (or were till recently) often employed both for the telegraph and telephone service. But let us assume that no deduction from the four per cent. is to be made on either of these grounds. Still the position of the Post Office telephones contrasts very unfavourably with that of the National Telephone Company. The Company is burdened with heavy rates from which the Post Office is free, it has to pay royalties equivalent to $2\frac{1}{2}$ per cent. on its capital, and yet it is able to pay a six per cent. dividend. So Mr. Cox stated in the House of Commons on June 21st 1907, and apparently his statement of facts was accepted. The Post Office, therefore, is not economically managed when judged by the standard attained by private companies, which must combine economy and efficiency or be ruined. I am not arguing that the posts should be left to private enterprise. I merely wish to point out where the Post Office fails.

186 BUSINESS CAPACITY OF GOVERNMENTS

It does its work efficiently, but it does not do it economically. And, I believe, it will be found on investigation that governments somehow always manage to waste money. It is urged, in order to excuse the heaviness of the working expenses of the Post Office, that government is obliged to be a model employer. In fact the happiness of the officials from the highest to the lowest is to be counted as a huge though invisible asset. Unfortunately we want something more solid to live upon than such invisible assets. And, moreover, the existence of this asset does not seem to be known to the postmen themselves, who are often very far from contented.¹

The success of the Post Office requires further investigation. It is in reality, to a great extent, a triumph of private enterprise. It is altogether dependent on capitalism, competition, individualism. The post offices are not built by the state, but by private contractors. The telegraphs are put up by private firms. None of the instruments used by the telegraph and telephone departments are made by the state. Moreover the letters and parcels are carried by railways which are owned by private companies. The clothes of the employés of the Post Office, from their caps down to their boots, are all the products of private enterprise. And their food no less. What would happen if private enterprise, the goose that lays the golden eggs, should be killed and government should undertake to work the land, the looms and all the apparatus of manufacture? The expenses would go up at every point, and postmen, in order that their present standard

¹ Recently a large sum has been voted by Parliament for the increase of the salaries of Post Office employés, so that perhaps the invisible asset has now become a reality.

of comfort might be maintained, would have to receive far higher wages, in whatever form they might be paid, than at present. The state would be a producer (and a very uneconomical one) instead of a mere taxpayer and spender, and it would undoubtedly be unable to do what it now succeeds in doing well. With a social system based on private enterprise, the state may be efficient in certain large departments. But remove the basis and the superstructure falls. The state is, in fact, in the position of a rich man, who spends his money freely and spends much of it well, but who does not make a profit in the commercial sense in any of his undertakings. We know, having been told it so many times by socialist philosophers, that to work for profit is degrading. But supposing that the state undertook the whole business of production and distribution and continued its present somewhat prodigal and unenterprising methods, something worse than mere absence of profit would result. There would be a terrible shortage of provisions, and those who were held responsible might suffer the fate which Tennyson foretold for statesmen who should be found, when a national crisis came, to have neglected the Navy :

“When all men starve, the wild mob’s million feet
Shall kick you from your place.”

But before we have done with the Post Office I must point out how it is that it is able to resist the tendency to drowsiness to which government departments are subject. It is kept awake by criticism. Mr. Henniker Heaton long devoted his energies to the subject of postal reforms, and many of his proposals have been carried out. Of course we were assured by officialdom that Mr. Henniker Heaton happened to

demand the very reforms that were on the point of being initiated by the Postmaster-General and the permanent officials. Hence it appeared that Mr. Henniker Heaton had had something to do with it, but that, we are assured, was not really the case. Well, let each man form his own opinion as to who really supplied the initial motive power.

Apart from the clamour for reforms, complaints are perpetually raining in upon the Postmaster-General. A parcel has gone wrong. The word "not" has been inserted in a telegram. The post office in such and such a village or town is badly managed. If there is any serious inefficiency or if any change of system is really urgent, the press is always ready to take the matter up.

Here again we have evidence that government departments owe their efficiency, wherever it exists, very largely to private enterprise. If there were no free press, drowsiness would infallibly come over them. If the state were the sole producer, it would, of course, produce the newspapers. Mrs. Besant in one of the *Fabian Essays* naïvely remarks that "it would always be open to individuals or to groups of individuals to publish anything they pleased on covering the cost of publication." The community, this means, will undertake the printing for them if they are willing to pay for it. But the poor things would have nothing but "consumption goods" to pay with! And it is so likely that the state would print newspapers that contained strong attacks upon itself! No! Under the collectivist system, the press, that great social antiseptic, must inevitably fall into decay.

It is quite clear then, that it is our competitive individualistic system that puts into government departments all the life that they have. Free criticism

goads them into energy. Private enterprise puts cheap machinery, cheap food, cheap clothes at their disposal.

The socialist argument so freely and emphatically used, that the state and the municipality are taking over one business after another, and that this will inevitably lead to the carrying out of the whole socialist programme, entirely breaks down. Mr. Sidney Webb, who is very fond of this line of argument, fails to see that the state is now only expending the wealth supplied to it by capitalism, and that it has never succeeded in producing wealth. He believes that we are now steering straight for collectivism, and that, beyond all doubt, we shall soon be safe in that delectable haven. There is no need, he tells us, to picture to ourselves a Utopia. The socialistic ideal is coming nearer and nearer to us by a process of evolution. Even those who do not call themselves socialists are, he tells us, unconsciously helping on the process. In his *Socialism in England*¹ he sings pæans in honour of the state and its achievements. The state "provides for many thousands of us, from birth to burial, midwifery, nursery, education, board and lodging, vaccination, medical attendance, medicine, public worship, amusements and burial. It furnishes and maintains its own museums, parks, botanic gardens, art galleries, libraries, concert halls, roads, streets, bridges, markets, fire-engines, light-houses, pilots, ferries, surf boats, steam-tugs, lifeboats, slaughter-houses, cemeteries, public baths, wash-houses, pounds, harbours, piers, wharves, hospitals, dispensaries, gas works, water works, tramways, telegraph cables, allotments, cow meadows, artisans' dwellings, common lodging houses, schools, churches and reading rooms." He tries to frighten us with this huge army of items,

¹ Page 61.

and deprive us of our reasoning power. And truly the list is a formidable one, even though for want of space I have not quoted to the end. It cannot be denied that the modern state busies itself with a host of things that government not long back left to the care of individuals or private associations. Some of these new duties that the state has taken upon itself it carries out in excellent style, and to the great benefit of the community. For others it is unfitted, and it is to be hoped that it will learn wisdom from failure, and confess its incapacity. But for all its undertakings, whether successful or unsuccessful, the state is dependent on the wealth produced by private enterprise. It is, as I have said, in the position of a rich man whose business consists in spending his income fairly well, and it expends its large revenues, though somewhat wastefully, yet on the whole moderately well. But spending an income is a very different thing from making one.

With regard to the municipalities and their increasing activity we find Mr. Sidney Webb pursuing the same line of argument. The stream of evolution is carrying us towards the ocean of socialism. "The individualist city councillor will walk along the municipal pavement, lit by municipal gas and cleansed by municipal brooms with municipal water, and seeing by the municipal clock in the municipal market, that he is too early to meet his children coming from the municipal school hard by the county lunatic asylum and municipal hospital, will use the national telegraph system to tell them not to walk through the municipal park, but to come by the municipal tramway, to meet him in the municipal reading-room, by the municipal art gallery, museum, and library, where he intends to consult some of the

national publications in order to prepare his next speech in the municipal town hall, in favour of the nationalisation of canals, and the increase of the government control over the railway system."¹ And Mr. Sidney Webb is astonished that this city councillor should maintain that "individual self-help has made our city what it is."

But this city councillor is not quite such a simpleton as Mr. Sidney Webb imagines. He knows that the rates are high and that the municipality has to tax private industry heavily in order to keep its tramways, its public library, its parks, its hospitals and other institutions going. To abolish private industry would be, he feels sure, to kill the goose that lays the golden eggs. Of course an enthusiastic collectivist is at liberty to maintain that a municipality can lay golden eggs. But the way in which municipalities do business compels me to take a very different view.

The state has in its hands vast undertakings. The municipality on a smaller but still on a large scale carries on business. But neither the state nor the municipality produce wealth. This may, no doubt, be denied, but below I give what seem to me good grounds for what I have stated (Ch. XIII.). They are huge spenders. And the fact that they can raise the huge sums that they require, so far from being evidence that a collectivist system of production is a possibility, is evidence of the economic efficiency of the capitalist system. That there are monstrous abuses associated with capital, no fair-minded man would deny. But it supplies governments with vast sums of money, such as no government till recent times had the spending of, and it makes what is often called municipal socialism possible.

¹ *Socialism in England*, p. 65.

Before leaving the question of government departments I must say something on the subject of Somerset House. If government is to take over all business, there must, from the nature of the case, be much that is extremely important, but which nevertheless does not much attract public attention. The work of Somerset House is of this kind. It is not under the public eye. It does, of course, come in for criticism, maledictions which, if not loud, are yet deep. But it is not stimulated from without as the Post Office is. Let us consider its way of transacting business. Take the case of those persons who live on small incomes derived from invested money, and who are in a position to claim abatement or exemption from income tax. The amount of the tax is deducted from their dividends before they receive them, and they apply to the surveyor of taxes for the return of their money. He makes inquiries in the neighbourhood where they live. Then he sends all the counterfoils to Somerset House. On these counterfoils Somerset House incubates. Six weeks at least elapse from the time of the application to the surveyor till the money is returned. This refers to the first application. On the second the business is sometimes settled in a month. Truly wonderful expedition! As to estate duties, when information is asked for, a post card is sent promptly to say that the application will receive attention. Three weeks at least then pass before an answer is sent. The English are a very patient people. But under socialism their patience would be far more severely tried, since public departments, some of them somnolent, some tyrannical, others, possibly chaotic, would be multiplied indefinitely.

We have seen now how government fails. The administration of the Civil Law leaves much to be

desired. The methods of the War Office are elaborately cumbrous. But for the Navy League or Leagues the Navy might find its urgent needs disregarded. The Post Office, being continually under the public eye, is in most ways efficient and yet is not managed economically; while Somerset House, in its comparative seclusion, is very dilatory in its methods. The state already has its hands full. There are many duties that it can and must undertake,—the administration of the law, the defence of the country, the carrying of the letters, and so forth. But the field of the state's activity must not be indefinitely enlarged. It must leave production entirely, and, as far as possible, the distribution of commodities, alone. In such matters, if it is necessary for it to intervene, it should play the part of an inspector of the work of private enterprise, of an umpire who sees that the game of commercial competition is fairly played.

CHAPTER XIII

THE BUSINESS CAPACITY OF MUNICIPAL CORPORATIONS

MUNICIPAL BUILDING — GAS — STREET LIGHTING — A HYBRID
BETWEEN SOCIALISM AND CAPITALISM—BUSINESS TRAIN-
ING—MUNICIPAL PATRIOTISM

MUNICIPAL councils or corporations are wonderfully self-confident. They are ready to do anything and everything. No failure discourages them. If things went wrong before, that is no reason, they argue, why they should go wrong again. There are new men in office now, in office for a year, who will try new plans and succeed far better. Some of them hope not only to make the town which they help to govern beautiful, but even the lives of the citizens. They are, in fact, thoroughgoing enthusiasts. Unfortunately, there is often a want of ballast. Enthusiasm destroys their equilibrium. And—a most regrettable feature this of the life of our cities—many of the most level-headed men will not serve as aldermen, mayors, or county councillors. They are very ready to complain of mismanagement, but they will not put an end to it in the best and obvious way, by getting themselves elected and doing the work themselves. There are fewer men available than formerly. The shops are passing into the hands of companies, and the managers they put in may suddenly be shifted

to another town, and in most cases, I believe, the company does not allow them to become candidates for municipal offices. Moreover, there is sometimes jobbery. In boroughs which count among the citizens a large number of men of character and position, it is difficult to believe that there is not the means of ending it. But even where there is no jobbery, things are often managed in a way that would ruin any private business firm. Herbert Spencer in his *Man versus the State*, and Lord Avebury in his *Municipal and National Trading*, give examples.

The Metropolitan Board of Works was anxious that the working classes should be better housed. A summary of its operations, dated December 21, 1883, shows that up to the previous September "it had, at a cost of a million and a quarter to ratepayers, unhoused 21,000 persons and provided houses for 12,000, the remaining 9000 to be hereafter provided for being meanwhile left houseless."¹ The London County Council have devoted great and really conscientious energy to the same object. Up to March 31, 1905, they had expended upon it very nearly £4,000,000 on capital account, with the result that if we allow two persons per room, rather over 31,000 had been provided for. What an enormous expenditure for a very small result! Each person is housed at a cost of £127. It would be impossible to deal with all London at that rate. And the London County Council, like the Board of Works, have in some cases unhoused more people than they have housed. Besides which, the occupants of the new houses do not always belong to the class for whom they were intended, but a more wealthy one.² It is no wonder that Miss Octavia Hill,

¹ *Man versus the State*, p. 54.

² See Lord Avebury's *Municipal and National Trading*, pp. 51-54.

that sound-headed friend of the London poor, strongly condemns municipal building.

If the result of the business ventures of a public body that is full of zeal, and that is able to command the services of the most competent advisers, is so far from satisfactory, what have we to expect from smaller public bodies whose members may be swayed by corrupt motives, and may condescend to actual jobbery?

But it may be urged that I have not chosen the most successful of municipal undertakings. Let us see, then, whether municipalities have succeeded better with gas, for instance, than they have with bricks and mortar. But here, too, they seem to fail in economy, as Lord Avebury has shown.¹ The private companies supply gas cheaper, and there is every reason to believe that it is as good in quality. But let us have done with comparisons, and consider whether in the hands of municipalities the manufacture of gas is a paying concern. It certainly is in many cases, if we judge by the published accounts. But though the accounts are honest and accurate, they cannot always be accepted as representing the facts quite truly. Sometimes too little is charged for depreciation of plant, sometimes charges which should be borne by the gas department are reckoned as central, and figure in the general municipal account, so Lord Avebury maintains, and apparently with good reason. But let us grant that some municipalities do succeed in producing gas at a profit. Still, this result is attained only by the aid of private enterprise. Private enterprise gets the coal from the mine and conveys it to the town in question. Private enterprise supplies all the plant for the manu-

¹ See his *Municipal and National Trading*, p. 80.

facture of gas. Private enterprise provides clothes, food, furniture, and, in nearly all cases, houses for the employés of the municipality. What would become of the profit on the gas if the public body were not able to buy the cheap and good commodities produced by private individuals and private companies? If, in fact, it had itself to produce everything that its citizens and employés required? The profit would very soon sink to a minus quantity. The municipality would fail, just as under similar circumstances the Post Office would fail.¹ In short, it is impossible to deny that the success of municipalities in productive work, so far as it exists, is dependent on private enterprise, competition, individualism.

I will now give further proof that municipal authorities are at a disadvantage as compared with private companies. Less than a hundred years ago our towns were lighted by oil lamps. Gas superseded this. And now the ordinary system of lighting by gas has in some towns given place to the incandescent method. In others electric light is ousting its rival. The change from oil to gas, from gas to electricity, has, of course, involved great expense, and when such undertakings are in the hands of the municipality, the difficulty necessitated by a change of system is much aggravated. Either the public body is over-conservative and slow to make changes, or else, having recently borrowed money for one method of lighting, it proceeds to borrow more for another. No doubt the alternative plan involves difficulties, for if the lighting is put out to contract no company will undertake the job unless it has a monopoly for some years guaranteed to it. But latterly inventions have come

¹ See p. 186.

more than usually rapidly one on the top of another. Under ordinary conditions it would be quite possible to offer terms that the capitalist would consider favourable, without much risk of hindering progress by putting one system of lighting in possession of the field over-long.

Let us now consider the case of the go-ahead municipality which adopts new methods as they are invented. For each new system it borrows money, and the unfortunate ratepayers have to pay for that which has been disused as well as that which has just been introduced. If the business had been intrusted to private companies, the shareholders would have had to bear the loss. They venture their money, and they are the people to suffer. The ratepayers, no doubt, are responsible for all the doings of the mayor and corporation or the county council. If, therefore, there is extravagant expenditure they deserve to suffer. But what of the minority? They protest, but have to share the burden, and generally, since they are the comparatively wealthy, the lion's share is theirs. Moreover, under our foolish system, those upon whom the rates really fall imagine, many of them, that they are paid for them by other people. Lastly, let us consider the position of an alderman, who is in part responsible for some municipal undertaking. He cannot bring an open mind to the subject. To take the matter now under discussion, he cannot put the question in the simple form: What, from every point of view, is the best method of lighting? The municipality's past ventures hamper him and cloud his judgment.

Obviously the municipal socialism that we are considering is a hybrid between socialism and capitalism. It is astonishing that any persons who call them-

selves socialists should glory in the fact that the corporation manages the trams, the lighting, the water supply of so many of our towns. If these things were paid for out of the rates, it would be, from their joint view, a thing to boast of, though even then they would in most or all of their undertakings only be making use of the wealth produced by capitalism. The plan actually adopted is difficult to reconcile with socialistic principles. The municipality borrows money from the capitalist classes to carry out its enterprises. It supplies an almost absolutely safe investment for capital. "And an excellent thing that there should be plenty of sound municipal stock," many a devotee of capitalism will say. Still, there is something wrong about it. Such municipalism, to coin a word, is neither true collectivism nor true individualism. One great justification of interest is that the lender risks his money, but here the risk is reduced to almost nothing. And thus it becomes easier to live without working as a mere *rentier*, and the non-producing class who live on invested money multiply till they become a heavy burden on the workers.

No doubt it will be said in answer to this, that the amount that any municipality may borrow is strictly limited by the Local Government Board. That is so, no doubt, but this check does not operate till the expenditure has exceeded all reasonable limits. The Blue Book on *The Councils of Boroughs in England and Wales (indebtedness)* shows to what a large extent nearly all of them, great and small, have been borrowing. It would be invidious to stigmatise those who are leading in this race of extravagance and folly. It is sufficient to state that in the year 1902-1903 the debts of the

200 BUSINESS CAPACITY OF CORPORATIONS

local authorities in the United Kingdom amounted to £437,000,000.¹

It is only recently that municipalities have launched out into business undertakings on so large a scale, and with practice they may possibly improve. Let us hope it may be so, but this is an over-sanguine view. The best training for a man who is to manage municipal tramways or gas works is to be manager of some big private business. The municipality will naturally get such a man for manager if it can. But in time the pushing business-like man whom the municipality has annexed grows old and inefficient. Still, he is not replaced by a smarter man so speedily as he would be in a private firm, for which efficiency is the very breath of life. There are many conscientious and hard-working men in the employ of Government and of municipalities, but there are also many who are slack and inefficient. When a Royal Commission some years back was inquiring into the working of Government offices, a commissioner remarked to a young clerk: "You do not seem to put much zeal into your work," and the young clerk replied: "I did not know that I was expected to put any zeal into it."

Can we ever hope to see municipal patriotism growing to something great and noble, burning with so pure a flame that jobbery will be impossible, and that the men who govern our towns will be known everywhere as men of high principle and of unsurpassed business capacity, who show more zeal for the public good than the manufacturer and the trader show for their private business? It is folly to indulge this hope. Such names as Manchester, Birmingham,

¹ See the *Report on Imperial and Local Revenue Expenditure of the United Kingdom*, p. 23, published by the Birmingham Chamber of Commerce.

Glasgow inspire but a moonlight patriotism: no man, however public-spirited, is ready to give his life for his municipality. The village patriotism of the little communities of ancient days was something intense, born, as it was, of the stern fact that they had by armed force to resist the aggression of neighbouring villages. But our towns wage no wars. They have friendly rivalries with one another, but that is all. Modern circumstances make the man of energy an individualist. He does not wish to sacrifice himself for a town which has no enemies that can attack it or in any way ruin it, a town whose most ardent rival would receive him with open arms if he chose to migrate there. A socialist régime could not revive the ancient intensity of local patriotism, unless—and this, I believe, none of the theorists contemplate—the central government were so weakened that wars between town and town, village and village, could go on unchecked. But patriotism is not a thing of the past. Men are still ready to die for their country, for we have enemies who are always on the look-out for a weak point in our armour. As far as war is concerned, therefore, we are all socialists; for in combination, in a strong central government, is our only hope of safety, and we cannot leave it to private enterprise to provide us with a navy and an army. But as to the production and distribution of commodities, the mass of men are individualists beyond all possibility of change, since here there is no binding force to make them socialists. Socialism would only hamper and worry, and convert its own adherents to individualism.

CHAPTER XIV

SAVING AND INTEREST

PRIMITIVE PEOPLES—THE MISER—MODERN SAVING—INTEREST

ONE of the most remarkable economic phenomena of recent years has been the growth of saving among a large proportion of the population. For long past our people have been exhorted to thrift, and though large masses have remained deaf to all the preaching, yet there is far less improvidence than there was; the practice of saving is extending to a lower class. But in recent decades, while many voices have been proclaiming that thrift is the cure for poverty and all the associated ills, a discordant note has occasionally been heard, a note which is now growing louder and louder. The preachers of thrift are now accused of preaching heresy, and a little book that boldly calls itself *The Fallacy of Saving* has been launched into the world.

It will be best to begin the discussion of saving *ab ovo*, though this plan will oblige me to repeat what I have said on the subject in an earlier chapter.¹ Primitive man, living among his fellow-tribesmen or fellow-villagers, did not save. Commodities in those days consisted mainly of food, weapons, clothing, ornaments, the last-named item being often a comparatively important one. What was he to save,

¹ Chap. III.

and what motive was there for saving? His children would not let him starve in his old age. If he stored any kind of commodity, he could not convert it into anything that would comfort him as he grew old. Sons and daughters, inspired with filial piety, were the best form of investment. It is only when commodities increase in number and variety, when money that can be converted into any of them circulates, when government grows strong and makes individualism possible,—it is only then that saving becomes a common thing.

The old-fashioned miser who stored up gold, put it into a bag which he hid under the floor by day, and at night under his mattress, is in Western Europe as extinct as the dodo. The system had its merits. If a man wanted his money, not immediately, but at some future time, there it was available—unless it had been stolen. But its bad results far outweighed the good ones. He was apt, this old-fashioned miser, to waste his time chuckling over the money he had already made, and this reduced the heartiness and healthiness of his activity in the present. The taste for hoarding grew upon him, warping his whole character, and the money became, not a means to an end but a thing to live for. If a thief discovered the money and decamped with it, the loss sometimes turned out to be a blessing, as in the case of Silas Marner, a real man, though I believe he never existed save in fiction.

Modern saving takes various forms. Often a man comes to the conclusion that his house is squalid or too small to turn round in, and that he must either build or rent a larger and better one. Accordingly for some years he lives below his income, and puts the margin in a bank on deposit or in the Post Office Savings Bank, or finds some other investment. After

a time he is able to build or rent a house that, compared with his old home, is a fine mansion. Perhaps he carries out his purpose by the aid of a building society. In any case the principle is the same : he sacrifices enjoyment in the immediate present for the sake of some future gain. And, indeed, if a man is to do any good work he must be capable of postponing the present to the future. The vain man wants his meed of applause without delay ; the ambitious man is ready to work and wait during long years. The same principle applies within limits to thrift. The end of work is the enjoyment of the produce of work, but it is often best that it should not be an immediate enjoyment. The man who puts off enjoying in order to have a good house to live in, lifts himself on to a higher plane. Still more true is it that the man who stores part of his income in order to give his children a good education benefits himself as well as them. In these cases saving is an unmixed good. It keeps steadily in view the aim of work. The aim and object, economically speaking, is not the work itself, however beneficial it may be to health and character, but the production of commodities, and the use of these is called consumption (abominable word !). The object of saving should be to use the product of labour at some future time when it will be more needed, or when it can be employed in a fitter way. Very commonly a man saves for the good of his children. In the wish to start them well in the world, thrift finds its best motive. In primitive times, to become the father of a family was a form of insurance, the only way to provide for old age. Now a man's children are a tax upon his industry, and at the same time his strongest motive for thrift and self-denial.

But saving often takes quite a different form from what I have described. Very frequently the man who saves invests what he does not want for immediate use, not with a view to building a house before long, or somehow spending it in the near future, but with the intention of making the interest on his investment supplement his earnings. Eventually, perhaps, he hopes to retire from business and live solely on the interest of accumulated investments. His son very possibly is able to live all his life on the money that his father's labour still continues to bring in. He is of the same opinion as the boy who, when asked what profession he would choose, said he should like to be a sleeping partner in a bank. His investments do not merely provide a pension for his old age, but they relieve him of all necessity of working during the prime of manhood. There is no objection to this cessation of work, this non-production, in itself. Perhaps the man we are imagining may have refined tastes and interesting hobbies, so that life for him is never dull, and perhaps his hobbies and his interests do something to brighten the lives of other people. He may do excellent unpaid work as a county councillor or as M.P. But this is not the sole point of view from which to regard such a life. The result of saving in this form is that a non-producer is supported by others who work. Such a man is parasitic, partly on his grandfather, say, from whom he inherited his fortune, and partly on living workers. Of course, it will be said that this grandfather supplied capital, the indispensable coadjutor of industry, and that these workers are paying, not a tax, but only fair interest. Though they have to support a non-producer, yet their work is more effective because it is assisted by the capital which his grand-

father provided. Of course, there is a great deal in this argument, but, as I shall show, there is not nearly so much in it as is generally supposed.

Let us first go back to the principles which justify the exaction of interest for a loan. First and foremost, the lender risks his money, and may fairly claim to be compensated. A hundred pounds in the hand is worth a problematic hundred and five in the future—at the end of the year. Besides this, he postpones the enjoyment of his commodities. For this, too, he deserves compensation. He might die before the time comes for resuming possession. But in the case we have been imagining the postponement was not for a few years only, not for his own lifetime only, but for the life of his sons also, and possibly his grandsons and great-grandsons. He has not saved in order that he may at some future date work more efficiently or in greater comfort, or that his sons may have a better start in life, and so be more efficient citizens, but that they may not have to work at all to gain their living. This is not the postponement of enjoyment. It is the planting of a tree on the fruit of which he and his descendants may live without having any need to work. Eventually, the dribblets of interest amount to far more than the original loan. Here we have a questionable outgrowth of a system which in its simpler form greatly assists industry. And by itself the case we have pictured of a family living in comfort and luxury without doing any productive work is not one to arouse indignation, unless the family in question is one only of many thousands similarly situated. We must not revolutionise all our economic principles because of occasional undesirable developments. These developments would, no doubt, become intoler-

able, if there were no check put to them. But as a rule there is a check. The family produces a spendthrift, or there is some other catastrophe, and those who might have lived at their ease have to set to and work. Still, in spite of this natural check there is now an over-plentiful crop of those who need not toil. In order to understand what this means, let us consider the nature of capital. Some of its worshippers hold that it is immortal, and that, unlike Tithonus, it never grows old, but remains for ever young and capable of reproducing itself. Even if we grant this claim, yet its immortality is like that of the one-celled microscopic organisms which, though certainly in a sense immortal, since there is for them no natural death, may nevertheless meet with a fatal accident at any moment. Capital, if ideally expended for an ideal purpose, may continue to be productive for an indefinite time. But these conditions are not often fulfilled. Take the case of the building of a bridge. It may, by facilitating traffic, lead indirectly to a considerable increase in the wealth of the community. The profit on the undertaking will allow of a certain sum of money being put by every year for repairs that will be necessary at intervals,—a depreciation fund. But what if the bridge is swept away by a flood of unprecedented force and volume? Perhaps the depreciation fund ought, on ideal principles, to be sufficient to build a new one. Let us grant that this may be a sound plan to work on. But the depreciation fund must be invested in something, and the investment may turn out unsound. No financial device can win unconditional immortality for capital. No doubt a wise expenditure of capital makes people more prosperous, so that when any calamity occurs they

can restore what has been destroyed more easily than if they had not advanced in wealth. But nothing can alter the fact that the work of capital and labour may by some change of conditions or some sudden disaster be all undone. Even when expended in the wisest way possible, capital may be destroyed by an earthquake, a blizzard, a hailstorm, a drought, or any of the thousand accidents that upset human plans and forecasts. But though capital is perishable—every product of human activity is destructible—yet it often happens that borrowed money contrives to pay interest while generations of men come and go. The philosopher Heraclitus wept because all the universe was in a state of flux. But here there seems to be an exception in a region where we should least expect permanence, an exception which would certainly have astonished Heraclitus, though I doubt if it would have made him desist from weeping.

We must now examine this phenomenon, and see how it is that, in spite of the fact that even the wisest and most careful men make mistakes, mismanage undertakings, and, still more, fail to forecast the future, nevertheless many millions of money borrowed more than a century ago, and expended, much of the amount, in most wasteful style, have never ceased to pay the annual dividend, while a great many more millions borrowed more recently seem to have in them the same secret of perennial vitality.

CHAPTER XV

NATIONAL DEBTS

WHEN money is lent to a private company it frequently happens that after a period of prosperity, greater or less, no more interest is paid on the capital. Mismanagement wrecks the concern; or the mine is gutted; or a change in fashion stops the demand for the goods supplied. But when the money is lent to a government, then, however badly the money may have been expended, the interest still continues to be paid on the stock, unless the government in question happens to be a very disreputable one that repudiates its debts. It was during the Seven Years' War that our National Debt began to grow big. During the long Napoleonic war it accumulated to a portentous figure, and lay, an almost intolerable burden, on our then small population. Matthew Arnold's conception of the weary Titan may well be recalled in connection with the National Debt at that time—

“The weary Titan, with deaf
Ears and labour-dimmed eyes,
Regarding neither to right
Nor left, goes passively by,
Staggering on to her goal,
Bearing on shoulders immense—
Atlantean the load,
Well-nigh not to be borne,
Of the too vast orb of her fate.”

But the burden of debt, which then lay far more heavy on the nation than the responsibilities of a vast empire, had been imposed by a bad system of finance rather than by destiny. In the ten years from 1806 to 1815 the national expenditure amounted to £860,677,615,¹ and in the last of these years the interest on the debt amounted to £31,576,074. I will give some figures for three years of great stress to show how the system worked. I quote simply the millions, leaving out the odd figures.

	Revenue raised by taxation.	Raised by loans.	Interest on debt, funded and unfunded.
1813 . .	£68,000,000	£39,000,000	£28,000,000
1814 . .	71,000,000	34,000,000	30,000,000
1815 . .	72,000,000	20,000,000	31,000,000 ²

It will be seen that in two of these three years the interest on the debt was not so very far short of the amount borrowed, while in the third year it largely exceeded it. If there had been less borrowing—say from 1793 onward—and a larger proportion of the money expended had been raised by taxation, the burden would not have been so great. Towards the end of a long war the evils of the two systems are combined. You have hugely heavy taxes and huge fresh annual borrowings. Let us see what this so-called system of borrowing really comes to. All the war material required—provisions, munitions, and equipment of every kind—has to be supplied by the people then living. It is a common thing to talk of making future generations pay. But men unborn could not supply cannon for Waterloo. If you raise money in another country, no doubt the burden

¹ See Porter's *Progress of the Nation*, p. 593.

² *Ibid.*, p. 475.

is in a great degree shifted from the back of the generation living during the war and transferred to posterity. But if the money is raised in the country, it cannot be borrowed in any true sense. In a national struggle every individual can be called upon to make a sacrifice,—in other words, to pay a tax, and a heavy one. But if what he contributes is called a loan instead of payment of a tax, then the nation as a whole have to pay him and his heirs interest after the war is over on money of which the State might fairly have claimed part without any promise to pay interest. There is no analogy between this lending to the State and the lending of money by one individual to another. At the time in question our country was in a grievous strait, and some of the whole body of citizens composing the nation lent money to the nation. What would have been said in an ancient tribe or village if one of the tribesmen or villagers had announced that he was ready to supply weapons of war to the community on condition that the community paid a tax to him and his heirs when the war was over? I am quite aware that the two cases are not entirely parallel. A modern industrial society is an elaborate and complicated organisation, and if money is borrowed it may upset the course of trade less than if it is raised by taxation. It is very difficult to make the incidence of taxation really fair, and if the war is likely to end after a year or two we must allow such an argument to count for something. But every year that the war continues the unsoundness of the borrowing plan becomes more apparent. Adam Smith severely condemns it. "It is only during the continuance of the war that the system has this advantage over the other system. Were the expenditure of war to be defrayed always by a revenue raised within

the year, the taxes from which that extraordinary revenue was drawn would last no longer than the war." ¹ He goes on to show that there is no advantage if the war is prolonged. "When funding, besides, has made a certain progress, the multiplication of taxes which it brings along with it impairs as much the ability of private people to accumulate even in time of peace, as the other system would in time of war." ² In fact, the Napoleonic war crippled the nation for not a few years after it was over, and it hampers us even now.

I have been obliged to go into the subject of national debts because it helps to bring out the point which I wish to make clear. Interest under some conditions is right and proper, and the burden is not likely to be very heavily felt, but when wars are paid for mainly or almost entirely by so-called borrowing, the payment of interest on the loans becomes a grievous burden. It is often maintained that a national debt makes men supporters of the constitution. They do not wish to upset it because they have a stake in it, having money invested in the funds. But if there were no national debt or only a small one, the country would be more prosperous, and prosperous people are seldom revolutionists.

We must now make clear how all this applies to the question of capital and interest. It is quite right that a man who lends money, who does without it for a time and runs the risk of losing it, should receive interest by way of payment. But those who supply the money to government during war, if they are citizens of the country, are not lenders in the ordinary sense. The burden of the war is borne by all, for it

¹ *Wealth of Nations*, p. 740.

² *Ibid.* p. 741.

is no use saying that the poor did not share the burden of the long Napoleonic war. And though the rich, having more to lose, no doubt, risked more, it cannot be said that in such a war the poor risked nothing, for eventual defeat would have brought untold misery to all. It would not have been only the fundholders who would have suffered. And when all are bound to share the burden and the risk, it is not right that for the benefit of a small number of the citizens a heavy tax should be imposed upon all. When the war is over the country is in comparatively calm water, the risk is at an end, and one great justification of interest—the risk the lender runs—is no more. I am not, of course, arguing that repudiation is ever justifiable, but only that our large National Debt is a monument of unjust finance, and that under a sounder system, though occasionally loans would be necessary, they would not accumulate to amounts so great. Besides this, if money were obtained from taxes, it would be expended with more care. The careless prodigality with which money was flung about during the South African War was due largely to the unsound method by which it was raised. Lightly come, lightly gone.

One further point, but a very important one, remains. National expenditure is much of it unwise. The proof that on the whole we have used our resources to good effect is to be found in the fact that we have held our own against all enemies. And yet the waste has been huge. We may regard a large proportion of the National Debt as affording an example of the perpetual payment of interest on money that has not been profitably expended. And the rest, that which has been spent to advantage, should bring wealth to the nation as a whole, not to the

fund-holders. In either case the interest is a tax paid by the people, not interest on a loan in the ordinary sense. The debt in 1905 amounted to £796,736,491, or £18, 8s. 10d. per head of the population.

CHAPTER XVI

LOCAL INDEBTEDNESS

IT is not only the National Debt that has run up to a monstrous sum: the local debts, the borrowings of municipalities, have been mounting up by leaps and bounds. These stand on a different footing from the National Debt. When a nation is engaged in a struggle on which its existence depends, its whole resources should be at the service of the government. Policy rather than justice limits the amount that may be raised by taxation. The same cannot be said of municipal rates: the municipality has no right to demand that a rich man should make great sacrifices for the good of his fellow-townsmen. Nevertheless, it would be much wiser to make what is raised by rates a far larger proportion of the total expenditure, and this would best be effected, not by raising the rates, but by borrowing less—a reform which would put an end to much foolish expenditure.

In 1902–1903 the local debts of the United Kingdom amounted to £437,874,787, or £10, 7s. per head of the population.¹ Now, it is undeniable that public bodies are apt to mismanage their affairs. Much of the money, therefore, has been expended in such a way that it brings in no return. And yet it continues to pay interest. The municipality cannot repudiate

¹ See the *Report on Imperial and Local Revenue and Expenditure*, published by the Birmingham Chamber of Commerce, 1906.

its debts, and so the ratepayers have to continue paying interest on money that has been unprofitably expended. Socialists often point with satisfaction to the ever-widening range of municipal undertakings, and they look forward to a time when production, transport, and supply will, by a gradual process, have passed entirely from private into public hands. They fail to see that municipalities are by such finance merely providing safe investments for capitalists. It is true that the credit of public bodies enables them to borrow the money cheaply. But against this we must set the fact that they largely increase the amount of capital that pays interest. If private companies undertake the supply of water and gas, the building and running of tramways, and the lighting of the streets, then, in the event of mismanagement, bankruptcy wipes out the capital that has been badly expended. As it is, it goes on accumulating, since bankruptcy is out of the question. If the objection is raised once more, that the amount a municipality may borrow is limited, we can reply that the limit is so high that little check is put. If any of them wish to borrow much more than they do, they must indeed be in love with extravagance.

CHAPTER XVII

RAILWAY FINANCE

BIOLOGISTS are familiar with the fact that similar developments often show themselves in species that are but very distantly related. The economist in his branch of science comes across the same phenomenon. A railway has practically a monopoly. The strength of its position enables it to pursue a system of finance not unlike that which finds favour with municipalities. When improvements and extensions are to be made, instead of paying for the work largely out of profits, instead of ploughing the year's earnings every now and then into the land, the company prefers to depend entirely on fresh loans: it does as the municipality does. The shareholders clamour for dividends, and the directors yield to the clamour. Thus capital is perpetually being piled up, and all of it, in the case of most companies, pays interest, in spite of the inflation being so enormous that, but for the monopoly our railways enjoy, a dividend on much of it would be out of the question. As it is, though the yield is not large, yet the rate of interest is high. The stock in many cases is considerably above par¹ (in spite of the fact that new stock generally takes precedence of older stock), and this lowers the yield. If the ordinary stock were declared to be effete, and were written off, the capital would be brought within

¹ This was written in 1907.

reasonable compass. But such a plan would naturally be unpopular among shareholders. It is practically, though not nominally, written off in those cases where there is absolutely no money available for a dividend and little likelihood that there ever will be. A hugely prosperous company that enjoys a large share of the traffic between such wealthy centres of population as South Lancashire and London is able to go on borrowing, to pile Pelion upon Ossa, and still pay a good dividend on all its stock.

No doubt our railways suffer much unfair treatment. In the matter of rates they are the victims of unjust assessment, for a company exists in order that it may be bled,—such would seem to be the principle. And the money thus obtained is used to start tramways to compete with the railways that supply it. Or it is used to pauperise the labourers by means of a foolish Poor Law administration. And so, if a railway director is told that the railways of Great Britain are strangling the industry of the country by their excessively high tariff for the carriage of goods, he is apt to reply: “But see how unfairly we are rated!” Thus the railway bleeds the producer, who has the utmost difficulty in getting his goods to the market, and in their turn the railways are bled in order that local bodies may have the means to carry out very questionable schemes. In our country we do not sufficiently consider the producer. If the conditions were made more favourable for him (I am not thinking of the vexed question of Tariff Reform), some of our gravest economic questions would begin to settle themselves.

CHAPTER XVIII

ACCUMULATIONS OF CAPITAL

NON-PRODUCERS—INDIRECT PRODUCERS—PROPORTION OF THE
NATIONAL INCOME THAT GOES TO CAPITAL

THE monstrous accumulations of capital clog and hamper competition. If the life of a people is to be healthy it must be moderately easy for a man to climb from a lower social stratum to a higher. It is not essential that an individual should be able to mount from the bottom to the top of the ladder, a ploughman to become a prime minister and "shape the whisper of the throne," but it ought to be possible for him to climb up a rung or two. Much is possible in the England of to-day, as the example of Mr. John Burns shows. Still, it is by no means easy. There are so many men filling high posts or enjoying large incomes, not because of any merit of their own but because their grandfather or great-grandfather, or an uncle or great-uncle, or some remote ancestor, was a man of energy and enterprise, or a favourite at court. On the other hand, there are a great number of competent hard-working professional men, and men of business, whose incomes are miserably small. Neither merit nor demerit tell rapidly enough. There is not sufficient movement. The wheels are clogged by the great accumulations of capital. A prosperous man often has in himself no combination of qualities that,

in the language of evolution, have survival-merit. He does not work his passage across the sea of life ; some relative who has worked and thriven and passed away pays for his ticket. Many people are under the impression that the system of open competitive examinations, as they are called, really opens a career to boys in whatever class they are born. But the name is delusive, as I have explained above. They are open only to those who can command a large sum of money for the necessary education. In one of our little Indian wars against a hill tribe, it is said that the officers often quoted Rudyard Kipling's lines—

“ Two thousand pounds of education
Drops to a ten rupee jezail.”

A hillman buys a cheap musket for less than a sovereign, and with it he picks off a young officer on whose education £2000 have been spent. The couplet sums up the facts. There is a tendency to advance the age at which the candidates for public appointments compete, and this, though in some ways a good thing, adds to the expense of the training necessary. But perhaps in business it is no less difficult for a young man to make his way by merit pure and simple. If he has not an opening, the path to success is no easy one, for openings are often reserved for members of the family or the sons of friends. Businesses, in fact, are kept to a great extent as close corporations. Of course, competition tends to prevent bad consequences. If a family business is sluggishly managed it dwindles till bankruptcy clears the field, or perhaps the admission of a non-relation galvanises it into life. But there is a certain closeness about the system that is inevitable, and which our so-called open examin-

ations do little to counterbalance. Thus the men who work are very poorly remunerated, while huge numbers of non-producers have enormous incomes derived from investments. They run no great risks. They get their dividends with absolute regularity, and yet a feeling, many of them, that by spending their incomes they supply work to those who need it, and, in fact, are general benefactors, the men who keep the world going. As a fact, their whole income is derived from the labours of others. True, the invested money on the interest of which they live may have been usefully expended, and so may have aided production. But even if so, some change of circumstances may have undone all its work. On the other hand, though it does pay interest, it may, as I have shown, have been expended unprofitably. In any case capital can do nothing by itself. Labour is required not only at the outset, but throughout. Directly labour ceases production ceases. Our non-producers, therefore, though some of them may fancy that they are the life of the country, are really nothing but a clog, if we except the comparatively few men and women of leisure who use their leisure to good purpose.

What is the number of our non-producers? In the census returns for England and Wales, after the numbers of those engaged in professions, trades, businesses of any kind, have been given, come "those living on their own means," and in 1901 there were no fewer than 93,381. Those who have retired from active life, from business, and all pensioners, are put down under separate headings. These 93,381, therefore, are not men who are crowning a youth and manhood of labour with an age of ease. They have not, the vast majority of them, ever been producers directly or indirectly. They have lived on their own

means, as the phrase goes, *i.e.* really on the labour of others. Once more let me say that I quite recognise that there are among them some who do admirable work, such as none but men of leisure can undertake. Still, the numbers are enormously great, if we consider the matter. In the first place, they are all males. The number of females living on their own means in 1901 was 361,996. Here we are on very delicate ground. It seems unchivalrous to complain that a number of poor spinsters and widows are living on incomes which they do not earn by labour. The widows may be looked upon as pensioners, and many of them are bringing up families. Only in a very unreal sense can they be described as unoccupied. As to the spinsters, many are rich. The fact that they are women does not alter the fact that they are non-workers, that all their income is the product of the labour of workers, and that therefore they constitute a burden on the country, always excepting those of them who do work of a kind, sometimes very valuable work, that cannot be recorded in the census returns.

But all this may seem to be making a mountain out of a molehill. Out of the population of England and Wales, thirty-two and a half million, what if there are 93,381 men living on their means, and 361,996 women? Add them together, they only amount to 455,377. This army of non-workers is not formidable in itself. But it has a host of hangers-on who are equally non-producers: we have to consider the servants of all kinds that wait upon them. Let us concede that a personal servant, who simply waits on his or her master or mistress, is often indirectly a producer. The master is able to work more efficiently because his life is made comfortable by the ministrations of his man-servant or his housemaid, and the

mistress, of course, no less. But what if all these ministrations enable the master or mistress more comfortably to do—nothing? Take the case of a man who is born to great wealth. In his childhood nurses tend him, in his boyhood there is a troop of servants, a governess or tutor, then schoolmasters, then possibly college dons and university lecturers. Tailors, bootmakers, hosiers, and others labour for him. There are spinners and weavers in the background toiling for him. Hairdressers, perhaps jewelers contribute their quota. Now all these nurses, governesses, tutors, schoolmasters, lecturers (not to mention the tailors, bootmakers, hosiers, etc.) are valuable institutions, on the assumption that their work helps to form efficient citizens. The child in question is passed on from one to the other. He is their hope—or one of their hopes. In so far as their lives are devoted to him, their usefulness or uselessness depends on how he turns out. If he turns out a failure, then they are failures in so far as his upbringing has been their work. When he reaches maturity there are still great numbers ministering to his inefficiency, whose whole work consists in making possible his costly uselessness.

The census returns bear witness to the fact that we must not count among the non-producers only those who are returned as "living on their means." There are hosts of domestic indoor servants, over 47,000 men and 1,285,072 women. This does not include servants in hotels, lodgings, and eating-houses, or we should have to add over 16,000 men and over 45,000 women. There are besides college servants (gyps and scouts), club servants, sick-nurses, charwomen (over 111,000 of these), washerwomen or laundry-women (over 196,000).

In the table which follows I have added to the

number of domestic servants others whose service is much of the same nature, consisting in producing ease or comfort or pleasure for others. There are a good many doubtful cases. Ought gamekeepers to have been included? And ought charwomen to have been left out? Domestic coachmen were not distinguished from other coachmen till 1901, so I have omitted them from the table. They number over 75,000. The numbers engaged in the various kinds of service, included in the table, if we add the two sexes together, reached their maximum in 1891. Since then there has been a considerable decline. But this would not have been so noticeable if charwomen, who are much on the increase, and "hospital and institution service" had been included. As to domestic servants, no doubt bathrooms have reduced to some extent the number required.

DOMESTIC AND OTHER SERVICES.

MALE.				FEMALE.		
1881.	1891.	1901.		1901.	1891.	1881.
56,262	58,527	<div> <div>16,253</div> <div>47,893</div> </div>	<div> Domestics, indoor servants in hotels, lodgings, etc. Other domestic indoor servants. Gamekeepers. College, club-service. Cooks—not domestic. Laundry and washing service. </div>	<div> <div>45,711</div> <div>128,507</div> </div>	1,386,167	1,230,406
12,633	13,814	16,677			3	
2,853	5,187	6,765		1,680	2,340	599
2,875	4,910	6,900		8,615	9,222	1,753
3,408	6,912	8,874		196,141	185,246	176,670
78,031	89,350	103,362	Totals	1,537,219	1,582,978	1,409,428

Adding male and females together the totals are .

1,487,459
in 1881

1,672,327
in 1891

1,640,581
in 1901.

Now the total population of England and Wales is $32\frac{1}{2}$ millions, and of these $10\frac{1}{2}$ millions are less than 15 years old. Of those returned as engaged in service a negligible percentage are under this age. Of persons over 15 nearly 1 in every 13 is in service, is a producer of ease or comfort or pleasure for others. If I add in the domestic coachmen it is rather more than 1 in 13. If I throw in the 111,000 charwomen it is almost exactly 1 in 12. In this calculation I am taking the two sexes together. Of the male sex a very small proportion are in service.

Domestic servants do very valuable work by enabling others to work more efficiently. Moreover a maid-servant often gains the best part of her education in her mistress's house. But large numbers of them only minister to the comfort of persons who do not deserve to be comfortable, since they do nothing for the common good. In the same way much of the labour of many washerwomen and sick nurses is wasted. Tailors, hosiers, milliners, dressmakers are many of them non-producers, in so far as they merely work for the comfort of non-producers. There is a familiar sailor's yarn which illustrates this. The mate shouts to one of his men down in the fore-cabin, "Jem, what are you doing?" "Nothing, sir." "Bill, what are you doing?" "Helping Jem, sir." As far as production is concerned a large number of our population are doing nothing and a far larger number are helping them to do it.

Unfortunately, it is impossible to give any exact figures. Some men are wholly non-producers, others hover between the productive and non-productive category. The difficulty of drawing a sharply dividing line is brought out by the following case. A man's earned income may enable him to keep two servants,

but the interest on invested money may enable him to keep two more. He depends, therefore, partly on his own labour, partly on that of others. There are, of course, large numbers of professional men who are only indirectly producers, *e.g.* clergymen, schoolmasters, doctors, lawyers. If they do their work efficiently, they enable others to do their work better, so that the money expended on the representatives of these professions is not wasted even from the point of view of pure economics. But it is worth noting how small, compared to the total adult population, the number who actually produce commodities is becoming. The number of indirect producers tends greatly to increase. Among them we must include those domestic servants whom we cannot put down in the category of non-producers since they aid the productive work of others. Then there are hundreds of thousands of distributors, men whose business is to bring commodities to the consumer. On the question of distribution I shall have more to say later on. Meanwhile it is important to bear in mind that each producer, under present conditions, has to turn out goods sufficient for quite a number of people besides himself. In the light of this fact, we must consider the common socialist argument, which may be briefly put thus : " One man by the aid of a machine does the work of sixty hand-workers. Therefore, we ought now to be sixty times as well off as men were before the introduction of machinery." To begin with, this argument neglects the fact that a machine must be made before it can be used. Secondly, since manufacture by machinery naturally tends to become concentrated in particular places, you must have great expenses connected with the carriage and distribution of goods. You may wish

to consign the middleman to perdition, but you find that he is an absolutely necessary evil. But what are we to say of the indirect producers? The argument that they exist for the benefit of the capitalist class only will not hold water. Without doctors and schoolmasters the labouring class would be in a sad plight. And though a very large proportion of the labour party seems at present indifferent to religion, there is a by no means negligible percentage of working men who consider religion as important as meat and drink. Then, the navy and the army defend the labourer no less than the capitalist. Of the police, also, this is to some extent true. Moreover, a great deal of the money raised by taxation is spent for the benefit of the working class. The paving and lighting of streets, the drainage of cities, the supply of water by municipalities, the building of schools and asylums—by all these things the working man profits. When we think, therefore, of the great multiplication of a man's productive power by machinery, we must not forget that the complication of modern civilisation necessitates, also, a great multiplication of distributors and of indirect producers, and further, it must be remembered, that of the money raised by taxation a large proportion is devoted to the service of the working man, or, at any rate, that he shares the advantages derived from its expenditure.

But before we decide that the working man has little to complain of, we must ask a further question: What proportion of the national income goes to the capitalist class? Sir Robert Giffen calculates that, the national income being estimated as 1200 millions, their share is about 400 millions. But they do not receive all this as capitalists. Part of it is earned

by work. It is probable that the capitalist as such obtains not much more than 300 millions.¹ This estimate Sir Robert Giffen made in 1883. And we may feel fairly sure that if the proportion in which he divided the national income between capitalist and worker was right then, it is not far from right now. Altogether this high authority was able then to take a very cheery view of the condition of the nation.² In the fifty years preceding 1883, the country had grown enormously in wealth, and the working classes had gained in far larger proportion than capital. In fact, wages had doubled. His general conclusion that the country had advanced enormously in prosperity during those fifty years is, of course, indisputable. It is also beyond dispute that wages had gone up and very greatly, not only in actual amount, but in purchasing power. But when Sir Robert Giffen speaks of the great improvement in the position of the workers, he includes not only workmen in the ordinary sense, but the representatives of professions, and with regard to them I find it difficult to find much comfort in the figures which he gives. In 1881 the incomes on which income tax was paid amounted to 584 millions, of which 407 were derived from capital, and 177 from "salaries, etc." The income assigned to capital here, of course, includes many incomes earned by capital and work of a higher class (superintendence and so forth) combined. But the comparatively small amount accounted for by "salaries, etc." is very striking. The educated worker is very poorly paid. Indeed, the opinion is very generally held that the

¹ *Essays in Finance*, series II. p. 352.

² See *Economic Studies and Enquiries*, vol. i. p. 417, by Sir R. Giffen. This includes some of *Essays in Finance*.

market price of culture and high character ought to be low.

When we consider the payment of labour in general, while recognising that it is far more satisfactory than it was, we cannot feel sure that Sir Robert Giffen correctly divides the national income between it and capital. I have taken the published account of one of our largest English railways, and added up all the items paid to labour in its various forms, and then compared the total with the sum divided among the shareholders and debenture holders. The earnings of capital and of labour are in this case as 56 to 37. In the case of a great South American railway, it works out not very differently: capital earns 87, labour earns 58. On the other hand, a large "steel, coal and coke" company, if I understand the figures given by the chairman correctly, recently handed to its employés more than five times as much as it was able to distribute to the shareholders. And it must be remembered that there are many undertakings which pay little or no interest. If we allow for the huge amount of capital which earns nothing for those who have risked it, the average interest on investments is probably by no means high. A violent anti-capitalist usually singles out for abuse some company that has just paid a dividend at the rate of 40 per cent., and assumes that this is quite a common rate of interest. Very good management is often required in order to gain a small profit and pay a modest 3 per cent. dividend. And bad management would very soon convert a small profit into a heavy loss—a fact to be remembered by all who think the state should appropriate all these nice profits that are now distributed among shareholders; it is very easy to convert a plus into a minus quantity. All this is true, and yet

it may be possible to bring against capital a true and damaging indictment. Though the general rate of interest is by no means high, yet the accumulation of capital may be so great that the workers do not get a fair share of the national income.

To prove this let me put down some of the items that go to make up this portentous accumulation.

National Debt (1905)	£796,736,491
Local Debts ¹	497,874,787
Railways (paid up capital, 1905)	194,341,000
Tramways (paid up capital, 1905)	51,501,410
Joint Stock Companies registered under the Companies Act (paid up capital, 1905)	1,954,337,135

£3,494,790,823

It is no small sum, 3494 millions. Moreover, it must be remembered that the capital of dock, canal, and water companies is not included—for these I have not been able to obtain the figures. And in addition there is the capital of innumerable business undertakings that are not quoted on the Stock Exchange. Much of the huge total continues, as I have shown, to pay interest, though it has been unprofitably expended. And as to the income derived from it, a large proportion of it goes to support the army of non-producers and the far vaster host who tend upon them. But, of course, a great many of the stockholders are workers who depend only in part on invested money. No reasonable man would condemn such a method of supplementing income. And no one who is not a wild visionary would maintain that every adult citizen, whether male or female, should be a producer

¹ According to the estimate in the *Report on Imperial and Local Revenue and Expenditure*, published by the Birmingham Chamber of Commerce, 1906. In 1902-3 it was £437,874,787.

of commodities or indirectly aid in production. The evil consists in the *excessive* accumulation of capital. It is not that saving and the lending of money and the exaction of interest are wrong, but that the practice has grown so enormously that workers—professional men and labourers, skilled or unskilled—have an unfair load laid upon them. Let it be remembered that capital without labour can do nothing. Does not capital, swollen to this bulk, take more than its share of profit? Does labour, the partner of capital, get what it is entitled to? It is a heavy burden that is thrown upon producers, the burden of supporting very large numbers who do nothing to enrich the community.

Both political parties are now attacking the problem of the unearned income. The Liberal party increases the death-duties, makes the income-tax progressive, and treats the earned income more lightly than the unearned. The tariff-reformers would raise prices generally by duties on imports; and, as they maintain, the producer will not suffer, since he will have a better market for his goods. The sufferer will be the *rentier*.

Besides the non-producers at the top of the social scale, there are others at the bottom. The inmates of workhouses in the United Kingdom numbered last census day (1901), 264,922. Of these Scotland owned only 13,229—north of the Tweed paupers are not manufactured on the same scale as in the south. In addition to the inmates of workhouses there are thousands of paupers who receive out-door relief, and millions of pounds are to be devoted to old age pensions. And so the workers of the country have two burdens to carry, the wealthy non-producers and the paupers. The annual bill for the support of the latter in England and Wales amounts to £13,000,000.

CHAPTER XIX

GREAT TRADING COMBINATIONS

BUSINESS undertakings tend to become larger and larger : it is cheaper to do things on a large scale. But the main cause is the keenness of competition. Rival companies, finding that their profits are a diminishing quantity, come to an understanding according to which they do not undersell one another. But it often happens that this understanding is found not to be close enough. Perhaps one of the companies in a clandestine way tries to undersell the others ; or there may be an honest misunderstanding as to the exact interpretation of the terms of agreement. Hence a combine is formed and the companies become one. Perhaps there is a further development and a trust is formed. This means, though the term is sometimes loosely used, that the whole or the greater part of the stock is transferred to trustees who exercise full control. It is easier to decide questions of policy, to take prompt action and (a thing which not unfrequently happens in the United States) to take steps to evade the law, when there is no need to summon a meeting of shareholders to explain what is on the *tapis*. But I am told that the trust in its original form is a thing of the past, the centralisation of control being now achieved by other means.

America is the land of trusts. The protective tariff has crippled foreign competition, and they have

been able in some cases to crush all opposition. The railways have formed traffic associations, and the trusts have leagued themselves with the railways, so that any company which has tried to stand out of the trust has found its goods "side-tracked" (left on a siding for three weeks or so), and has been compelled to join.¹ The result is that instead of a number of competing firms there is at last only one. When this happens, socialists declare that competition is at an end, and that capitalism has destroyed its own *raison d'être*. This is only partly true. The Standard Oil Trust, though in America it has a monopoly in oil, yet competes with other businesses which supply coal or electricity for heating or lighting purposes. Similarly an English railway has no railway to compete with it in a particular district. But since holiday-makers can choose their summer playground it is subject to competition with regard to a large department of traffic. Besides this some railways succeed in increasing the population of the districts through which they go, while others keep it down through their miserable inefficiency. Moreover for short distances there is the competition of trams and omnibuses. In the matter of goods railways have something more nearly approaching to a monopoly. Farmers or mining companies cannot, as a rule, choose their railway.² Still for lighter goods motor vans are introducing competition.

But we must consider the question whether the trust or any similar system will ever kill out competition altogether. It seems unlikely. All very big undertakings tend to become badly managed because

¹ See *The Evolution of Industrial Society*, p. 198, by Prof. R. T. Ely.

² Our railways have now formed a combine to prevent one company underselling another in the department of goods traffic.

of their unwieldiness. The expenses of the central office increase. There is an unwillingness to trust subordinates, and there results over-centralisation, the main cause of the red tape in government departments. All over-large concerns pay the penalty of greatness. The Standard Oil requires a manager of splendid ability, and at the present time its master mind is said to be the *ne plus ultra*. If over-centralisation is to be avoided, it can only be by trusting heads of departments. For these posts first class men must be found, and you cannot obtain such men for nothing. The bigger the concern, the more difficult is it to prevent fraud. Some years ago our omnibus companies kept very little check on their conductors. The passengers paid their 2d. or 3d. The conductor pocketed it and at the end of the day rendered up a certain sum, but it was seldom the sum that he had received. A regular system of fraud grew up among the employés of the companies. The drivers were not going to be left out in the cold, while the conductors were feathering their own nests. Then the ostlers, finding out what was being organised, insisted on having their share. So they too were admitted. When the takes were large, the company received decidedly less than the right amount; when they were very small, it is said that a little in excess was handed in to prevent suspicions arising. However, suspicions were aroused. The ticket system was introduced, inspectors visited the omnibuses fairly frequently, and the receipts of the various companies rose. The fact is that, though most men strongly prefer honesty to dishonesty, yet the daily sight of means to do ill deeds makes ill deeds done. When once a dishonest system has been established, it is particularly hard or almost impossible for an individual

to refuse to have anything to do with it. Among the conductors, drivers and ostlers we have been considering, must have been many who would have been honest under ordinary circumstances. But each newcomer, finding it was the rule that the company's receipts should be taxed by the employés, fell in with the system. After all, they may have argued, it was only a company, not a human being whom they were swindling. Similar difficulties confront the large stores that compete so formidably with the shopkeeper. Some time ago one of the largest of these had to prosecute numbers of its employés for theft. The juries were chosen largely from the neighbouring tradesmen, the bitter enemies of the stores. One of these as he entered the box once remarked, "However much he is proved guilty I won't convict him." In a large business you must either trust subordinates or by a system of checks prevent dishonesty. The former plan is far the better if you can find the honest men. The latter system is at the outset expensive, and is apt to grow cumbrous and at last unworkable. At best it is a character-destroying system. Little or no initiative is demanded from an employé. He has merely to stick to the rules. He cannot be commended for honesty, for he has little chance of peculating.

There is no doubt that very big industrial concerns tend to go rotten. But what if all rival companies have been ruined or bought up? Will a monster trust, however rotten at the core, still be able to maintain its position or will small rivals spring up and hold their own? It must, I think, happen eventually that the trust will tumble to pieces, but it depends very largely on the government whether its life is a long or a short one. A short time back

the Standard Oil was condemned to pay a fine of nearly six million pounds for breaking the law, for making an illegal bargain with the Chicago & Alton Railway. The Trust had obtained an illegal rebate on the charge for the carriage of goods. This monster fine was not in itself a staggering blow for such a financial giant as the Standard Oil Trust, but it encouraged the hope that the Trust would never again carry its impious head so proudly. The law declared that it had lived and thriven on illegality, and the infliction of this fine meant that illegality was to cease. In fact it seemed clear that, even in the United States, where the circumstances are most favourable for trusts, the government could restrain them, and, if they violated the law, bleed them. But the final Court of appeal has not upheld the judgment of the lower Court, and the Standard Oil goes scot free. O lame and impotent conclusion! But legislation may before long strengthen the law. In countries which are not ringed round by a protective tariff, a trust is not likely to grow to such formidable proportions. If it is not international (and an international trust is very hard to organise), importations from abroad will cut the ground from under its feet. The railway question is a very important one. If a combination of railways leagues itself with a trust and bolsters it up, government must make such a system illegal. And should this plan fail, it must purchase the railways — a most regrettable necessity — and work them itself. It is very encouraging to see the United States making efforts to grapple with the monstrous progeny of capitalism, since it enables us to hope that the purchase of railways by the state is unnecessary, even though the great trusts are shielded by a protective tariff.

CHAPTER XX

THE LAND QUESTION

THE railway question is really only part of a larger question. The strength of their position lies in the fact that they are landholders. This limits competition, since it would be folly to allow the land of the country to be used up by rival railways running close beside one another. The land question is a thorny one. As I said in another chapter, land is quite different from any other form of property. It belongs by right to the community, a truth that in feudal times was fully recognised. The great barons and all other occupiers of land held their estates only on condition that they did military service when called upon. They were the king's tenants or tenants of his tenants, and the rent took the form of military service. Henry II. instituted scutage or shield money, a money in place of service payment. And now only the land tax remains to show that land is really the property of the state. Nevertheless, whenever an Act of Parliament gives compulsory powers of purchase—for instance to a railway company—the true theory of land ownership becomes apparent.

But though the community owns the land, it does not follow that the government should undertake the management of it. The management of landed estates is a very difficult matter, and, where the

existing system works fairly well, it is undoubtedly best for the government to leave it alone, and, instead of meddling with land, make an effort to reform something else, say, the War Office or the Civil Law. The ruinous system of dual ownership introduced into Ireland, fostering idleness, and necessitating more land-bills and still more, is a warning against hasty, ill-considered land legislation. A benevolent Parliament may do more harm than the most selfish of landlords. Still it may at times become necessary for government to intervene. It may come about that land gets into the hands of a few owners who will part with no fraction of their estates. For ease of management, they may prefer that all their farms should be large, since a few big tenants are easier to deal with than a multitude of small ones, and thus a man who wants to buy or rent a small farm may not be able to find what he wants. Under such conditions it is the duty of government to bring it about that land is available for men of energy when they want it; it is impossible for those who believe in free competition to approve of stagnation in this or any other form. Besides, there is nothing that takes the bitterness out of agitators so much as the possession of land, or even the holding of a bit of land on lease. Many of the most violent Chartists, it is said, emigrated, became landowners, renounced chartism and settled down quietly to work. It can hardly be said that our existing land system allows the greatest possible freedom. But I shall not be rash enough to formulate a plan of reform. "O that my enemy had risked an exact formula!" is the prayer of the critic. But in this case in vain is the net spread. I may say, however, that I have hopes that the Land Act of 1907 will work well.

Under it the County Councils, armed with compulsory powers of purchase, are to make it possible for a man to get a small farm.

The rapid growth of towns makes the land question urgent. Landowners grow rich on the unearned increment, while the town-dwellers bear a huge burden in the shape of rates and rent. In England land is not taxed as land. If a town creeps up to it, the tax does not, as a matter of course, go up because the selling value of the land has risen. The tax rises when industry and enterprise are brought to bear upon it. Thus we tax, not land, the source of wealth, so much as enterprise. We tax the energetic man and let the slack man off easily. The theory that taxes should fall on land and on nothing else is, in England, impossible to put into practice. But it is difficult to believe that it is impossible to make those who owe incomes of hundreds of thousands of pounds to the accident that London has spread over their estates, disgorge more of the unearned increment than they do. Our present system causes the wheels of industry to move heavily. It causes wealth to stick to the fingers of those who are no better than drones in the hive, who are, economically speaking, parasitic on other men. Any such general statement, of course, does injustice to individuals. I recognise the fact that there are, among the owners of large estates, some who take great trouble to manage them well, and so become indirectly producers. And it is possible and not unfrequently happens that a man, who derives a huge income from invested money, may spend it in such a way as to benefit the community and so do his share of work for the common good. It is well to point out that some men who might be drones if they liked, are among the

best workers in the hive. Nevertheless, as I have shown above, economic parasitism has grown to an extent unknown in any former age. If it could only be reduced, a weight would be lifted from the backs of the producers.¹

¹ This was written in 1908. An attempt is now (1909) being made to tax the unearned increment.

CHAPTER XXI

THE CAPITALIST CLASS AND THE LABOUR CLASS

NUMBER OF CAPITALISTS—OPENINGS FOR THE MAN WITH A
LITTLE CAPITAL—SHOPKEEPERS—WAGES AND PRICES—
STOPPAGES OF WORK—NATURE AND DURATION OF WORK—
THE FUTURE—RESUMÉ OF THE LAST SEVEN CHAPTERS—
MODERN CAPITALISM AND DARWINISM.

THE too vast accumulations of capital hamper the industry of the country. Our railways require reforming and also our system of land taxation. Let us admit so much. But those who clamour loudest for economic reforms maintain that there is one class which battens on injustices that in recent times have grown to gigantic proportions. It is what is called the capitalist class. What are its numbers? Are they a mere handful of millionaires? or a large fraction of the nation?

The socialists used to prophecy that at no very distant date there would be only a handful of capitalists, all of them millionaires or multi-millionaires, a handful of slave-drivers, while all the rest of the population would be a mere wage-earning proletariat existing only to pile higher and higher the mountain of their masters' wealth. It is the fate of most prophecies to be proved false by events. Bernstein, the well-known German socialist, frankly

owns that capital has not got into the hands of a very few; on the contrary the number of capitalists tends to increase. But this, he maintains, is no consolation to the large mass still excluded from the favoured circle. Many small people now have shares in great industrial concerns, in railways, in consols, in savings banks, in provident societies of many kinds. At the end of 1905 there were nearly ten million accounts open in post office savings banks. How one would like to know the number of families represented by these depositors! There has recently been a controversy in the *Contemporary Review* on *The Wealth of the Workers*. Mr. Jesse Quail, in the August number,¹ puts their savings at 886 millions. They have large amounts invested in various Friendly, Building, Co-operative and Provident Societies, in Post Office, Trustee and Railway Savings Banks, in Municipal Savings Banks, Penny Banks, Loan Offices, "Slate" and other Clubs, House Property and Small Freeholds, Industrial Insurance Associations. Mr. Quail reckons in also the capital stock of small shopkeepers and the household furniture in cottage homes. Apparently he leaves out of the reckoning Trade Unions, though their funds are used largely to support those of their members who are sick or out of work. Mr. Chiozza Money, in the June number of *The Contemporary*, belittles, comparatively speaking, the savings of the masses, putting them at 600 millions. This sum represents, according to him, the accumulations of 39 millions of people. Nearly all the wealth of the country is, he maintains, in the hands of "The Classes," who make up only one-ninth of the population. Here is a very interesting controversy. First let me call attention to this point; even Mr. Money

¹ 1907.

recognises that the income tax payers amount to one million or slightly over, and that they represent about 5 millions of the population. Mr. Quail thinks that the income-tax paying class (the payers and their families) amount to between 6 and 7 millions. Even if we accept Mr. Money's estimate as correct, the number is very great. And it is clear that at a lower social level there is an enormous amount of saving by the aid of various provident institutions. No doubt the total put by is very small compared with what is accumulated by the more wealthy. But what is the object of this saving? It is, as a rule, providence in the true sense. It does not aim at relieving the worker of the necessity of toil, while he is able-bodied, but at providing for himself and his children when he is laid up or out of work or incapacitated by age. If wages are good and if men are not frequently left without work, there is no reason why the accumulated savings should amount to a very huge total. We must not weep because the working classes cannot live on their investments. On the contrary, we ought to pray that the number of persons who are able to live without working may be reduced.

This picture of the English as a provident race who are always taking thought for the future will astonish many people. It seems, then, that we are not after all a reckless, improvident people, unless a happy-go-lucky mode of life is encouraged by foolish legislation. Large masses of our population were pauperised formerly by an absurd Poor Law, and more recently a very considerable number by the unwise administration of a fairly good one, and also by unwise charity. Yet, only give them a fair chance and our people are willing and ready to be self-dependent.

But as to the theory of saving—supposing the habit continues to extend downwards through the social strata, shall we eventually arrive at a *reductio ad absurdum*? Will it mean that every man will depend on other people to feed and clothe him? Certainly not, if saving takes the right form. What a working man contributes to a trade union is expended, to a great extent, on the support of such members as are unable to work. During the ten years period ending with 1906, over £387,000 has on the average been expended annually by the 100 principal trades unions for the benefit of unemployed members, and over £700,000 for various benevolent objects (as “sick, accident, superannuation and funeral benefits”). The principle is the sound one on which all our insurance societies are based, that those who can work should support those who cannot. The fortunate assist the unfortunate, the able the unable.

Next let us consider Bernstein's pessimistic view of capitalism. “The capitalist class are oppressors”—this dictum he starts with. “It makes matters no better,” so he argues, “if there are many oppressors instead of a few. It may make matters worse.” It is impossible to accept this view of the case. There is all the difference between a class and a caste. If the number of capitalists increases it shows that the workers are, many of them, able to gain wealth and rise to a higher social level. For we cannot believe that the increase in the number of the comparatively wealthy is due to a high birth rate among them. The birth rate can be shown to be low. Thus there can be no doubt that there is a continual movement of individuals and families from the lower social grades to the higher, though, hindering the free flow of the stream, there are obstacles that I myself should wish

removed. The fact is that if there are chances for a poor man, there is no chance for socialism. This is why many thorough-going socialists are so opposed to the co-operative movement. No stronger anti-socialists are to be found than workers who have started a successful co-operative business, or than the man who is beginning to see his way to bettering himself.

It has become clear in the course of our investigations that the capitalist class is increasing. But this might be due to a rise in salaries and to the investment of savings in joint stock companies, or in government or municipal stock. The opinion is very commonly held that there are but few openings now for the small man with a small amount of capital at his back. Whether small businesses are on the decrease is a very interesting question. The "small men" we are considering set their economic capital and their personal capital (in the shape of skill, capacity, enterprise, persistence, honesty) to work in combination, and if they are a dwindling class, the fact is much to be regretted. It is to be feared that in proportion to the population this is so. Large joint-stock companies take the place of family businesses, and the shareholders as such are a *fainéant* race. Still, if the number of concerns managed on the old-fashioned principle is on the decrease, the process is not nearly so rapid as is commonly imagined. Farming remains untouched by the joint-stock movement. The census returns (1901) for England and Wales put down 202,751 as the number of farmers, and recent legislation is likely to increase the number. The builders are no less than 40,187. There are a great many "small men" carrying on business with their own capital whose numbers do not appear in the census report. Among the 270,660 carpenters

and joiners, for example, must be a great many who are not wage-earners but who carry on business on their own account. There is a blacksmith almost in every other village; the census gives their number as 136,752. On the average each village has more inns than one. No doubt the number might with advantage be less, but at present we are considering what openings there are for a man with a little capital, and among the large total of village innkeepers are a considerable number who are independent, not occupiers of "tied houses," not the servants of the brewer whose beer they sell. If we turn to the professions, we find lawyers and private schoolmasters by the thousand. Wherever we go, we see small business undertakings. The lodging or boarding-house keepers male and female amount to 50,000. The gardeners (other than domestic) number 128,000—nurserymen, no doubt, and their employés. The shopkeepers are an enormous host. The multiplication of retail dealers is a red rag to socialists. Somehow in their Utopia the omnipotent, benevolent, wonder-working state would set nearly every adult free to produce commodities instead of wasting time in distribution; to the ordinary man modern large-scale production seems necessarily to increase the work of distribution. But what we have now to consider is whether the small tradesman is doomed, or whether like other threatened men he will live long. It seems probably true that he will die hard, because in so many cases he is not a mere regrator; he does not merely buy and sell goods unaltered for a profit, but does some work on them or on some of them before selling, or else he undertakes repairs. In this lies the strength of his position.

Consider the various tradesmen in a country town.

The bicycle agents, to take them first, buy machines from big companies and sell them. But they also buy materials from the Birmingham Small Arms Factory, put them together, and turn out machines of their own. They are continually busy with repairs, and when a man has many times doctored your old machine you naturally incline to get a new one from him, if it is likely to be good and reasonably cheap. A saddler is very definitely a producer and also a doer of repairs. No big factory is likely to oust him. Certainly a good many bootmakers and cobblers will survive in spite of the big boot factories. The tailors, like the bootmakers both producers and menders, have not yet succumbed nor do they seem likely to do so. The local butcher, at least occasionally, as the butcher boy in *Punch* said, "kills himself," but it may be that the day of his doom is approaching. The "watchmaker's" strength is due to the fact that he is a watchmender. The chemist makes up prescriptions, and is by no means a mere distributor. As a matter of fact he not only makes up prescriptions but actually prescribes. The photographers evidently come under the head of producers. The ironmongers and the upholsterers often do repairs. The hair-cutters are workers and only secondarily distributors. The greengrocers sometimes have gardens of their own from which their shops are in part supplied. The grocer, I fear, is generally a regrator pure and simple. "Our own jam" is made at some big factory and then the retailer's label is affixed. The drapers and hosiers are only to a very small extent, if at all, producers.

A country town is a comparatively quiet backwater of the great stream of life. There is an atmosphere of live-and-let-live about it. Suddenly

there appears there a branch shop belonging, say, to some London firm. Then comes the pinch of competition. Moreover vans distributing goods to customers are travelling great distances now. The parcel post grows cheaper. The great London stores publish elaborate catalogues so that you can often pick out what you want without inspecting. In spite of all this the local tradesmen, at any rate in cases where they are not only distributors, seem likely to survive this time of strain and stress, survive because we cannot do without them. And as long as small tradesmen are a necessity there will be many openings for small capitalists. Even if the small tradesman became a thing of the past, there would still be many openings for a man with a little capital; he might be a farmer, a builder, a publican, or since inns may possibly be much reduced in number, he might start a coffee house. He might keep a blacksmith's or carpenter's shop. He might be a carrier or a hawker. The possibilities are many and various.

I have shown how the practice of saving has extended. A man whom we look upon as a mere wage-earner, living from hand to mouth, has very possibly something put by against a rainy day. And the fact that many workmen are able to become capitalists on a small scale, is in itself proof that the working class is better off than it was some forty or fifty years back. We have seen, too, that a large and increasing number make provision for old age or insure themselves against accident and unemployment. But we want more definite evidence that their everyday life has more comforts in it than it had some decades back. Writing in 1883, Sir Robert Giffen said that the wages of British working men

seemed to have doubled during the previous half century. Fifty years before that date they earned annually, according to his calculation, £19 per head. In 1883 they earned £42 per head, an increase of more than 100 per cent. Most things went down in price during the 50 years that he was considering, notably wheat. Two important things, however, went up instead of down, namely, meat and rent. But in the thirties of the last century labourers hardly ever tasted any meat but bacon, and, as to rent, the increase represents a marked improvement in their houses. Since 1883 the position of the workers has very decidedly improved. It is true that wages have their periods of decline as well as their rising periods. But the general tendency is upward, since the drop in wages when trade is slack does not equal the rise during the boom. This comes out very clearly from figures given in the *Board of Trade Labour Gazette* for December 1907. The rise between 1896 and 1900 was nearly double the drop between 1901 and 1905, and now (in 1906) ¹ they have again begun to mount. Though the fluctuations in trade still continue to throw large numbers out of work, yet the *Board of Trade Gazette* is able to say :—" The number of work-people whose changes were preceded by a stoppage of work, formed in 1906, as in previous years, an inconsiderable fraction of the whole." Conciliation boards, sliding scales and direct negotiation are preventing strikes and lock-outs, and besides this provident societies are mitigating the terrors of unemployment. But work itself may not be an unmixed blessing. There may be too much of it, or it may be work of a sort that is not good for a man, even in doses that are not very large. For great

¹ The rise continued during 1907. A decline began early in 1908.

250 CAPITALIST CLASS AND LABOUR CLASS

numbers the hours of labour are still very long and the work is of a very dull, monotonous kind. Those who work in factories are many of them only nurses to machines, a miserable, soul-destroying occupation. It is maintained by some authorities that the tendency is for machines as they improve to require more intelligent tending, so that the man who waits upon them is becoming less machine-like. Possibly that may be so in a few cases, but for the improvement of the lot of the tender of machines we must look mainly to a shortening of the hours of work. And here too the *Labour Gazette* strikes a cheerful note. Over 50,000 workmen had their hours changed in 1906, and in nearly all cases they were shortened.

We are still very far from the millennium, but the practical question is: In which direction, as far as economics are concerned, are things moving, towards the better or the worse? And to this question a pessimistic answer is impossible. Moreover there is every reason to believe that the improvement is likely to continue and probably at an accelerated pace. There are two tendencies at work which seem to afford good ground for this view. Workmen are beginning to limit their families, to do what Malthus recommended though he never dreamed of such methods. This must in time, I believe, lead to racial degeneracy, if the spread of newly won knowledge does not enable us to obviate the evil. But, economically speaking, the workman's position must become stronger through the limitation of families. Besides this, new inventions will make the world richer and the labourers are likely to obtain an increasing proportion of the world's wealth. Moreover, emigration, that safety-valve of the modern industrial system, will become increasingly easy.

There is no difficulty now in getting information as to land, climate and the demand for the different kinds of labour in our colonies, in the United States and in South America. And emigrants are carried very cheap.

In short, when we look at the lines along which things are moving, there is every reason to be hopeful about the future of the working classes, if only foolish legislation does not unnerve them and rob them of their power of self-help. Their present position, it is true, leaves much to be desired. In particular there are hosts of casuals, and the question is how to improve their lot and reduce their numbers. This is the great labour problem.

I have now pointed out the main tendencies of modern capitalism. The growth of saving is enormous and it spreads over a considerable percentage of the population. Capital has not become aggregated in the hands of a few. Moreover, there are still an enormous number of small businesses where one and the same person is both manager and owner. The fundamental principle of our industrial system, competition, has not gone by the board. Capitalism has not destroyed its own *raison d'être*, nor is it likely to destroy it.

Industry is, if we take a general view, but poorly rewarded in spite of the vast accumulation of wealth. As a rule the members of the professions are underpaid. This is true also of great numbers of working men in the ordinary limited sense, but during the last seventy years their economic position has steadily improved and there is every reason to believe that it will continue to do so. While work both in the higher and lower grades is insufficiently rewarded,

there is a large non-producing class possessed of great wealth, and a portentous number of workers who, since they merely minister to the comfort of these non-producers, may be counted as non-workers. This reduces the amount of wealth that is available for those on whose industry the national prosperity depends. The formation of a large non-producing class is fostered by our monstrously big national debt and by our growing municipal indebtedness. The nation has borrowed when it should have had recourse to taxation. And of the money borrowed by municipalities much has been unprofitably expended and yet continues to pay interest. Our railways are greatly over-capitalised and strive to make money enough to pay a dividend on all their stock by means of excessively high charges for the carriage of goods, so that in some cases they strangle industry instead of developing it. In short, if we lump together the borrowings of the state, the municipalities and private companies, we find the accumulation of stock so great that, even though the average rate of interest is not high, yet the burden on the workers is great. Capital at its best might be represented by an allegorical figure of a man lithe and sinewy in frame, his face suggestive of a love of bold ventures and strenuous endeavour. But these over-big accumulations suggest obesity, heaviness, and achievement in the past rather than in the present or future.

In conclusion, let me point out that in these chapters on modern capitalism I have not lost sight of Darwinism and the struggle for existence. The fundamental weakness of socialism is that it would put a stop to all struggle and competition. But capital, through its present tendency to form vast permanent accumulations, is producing, though in a far milder

form, the evil which would make socialism an impossibility. It is limiting and checking competition, and thus interfering with the upward and downward movement from class to class on which the health of social organism depends.

CHAPTER XXII

THE THEORETIC BASIS OF SOCIALISM

THE VIEWS OF KARL MARX ON LABOUR, CAPITAL, INTEREST—
REGRATING—LAND AND PROPERTY—LABOUR AND CAPITAL
—CAPITAL IN THE EMBRYO STAGE—INTEREST—DISTRIBUTION OF COMMODITIES—THE INVENTOR—THE ORGANISER
—RÉSUMÉ

LAND is the property of all, that is, of the state. All wealth is the product of labour. Therefore the labourer should enjoy all the wealth that is produced. The value of a commodity is proportioned to the amount of labour required for its production. These are propositions laid down by Karl Marx who has supplied the theoretic basis of Socialism. Capital is, according to him, wealth which is unjustly extorted from the labourer. The employer under our modern system is able to pay the labourer, not his due, but a smaller sum, which owing to the competition for work he is ready to take. The difference between the real value of the workman's labour and the amount paid to him for it is what Karl Marx called surplus value. This appropriation of the surplus value he considered to be the origin of capital. Thus without injustice, without robbery, capital, according to Marx, would not exist; and if capital ought not to exist, it is quite clear that interest is unjustifiable. For capital precedes interest. If all wealth is the product of labour, clearly no wealth can be the pro-

duct of a loan. Interest becomes merely an unjust exploitation of labour.

In the same way selling a thing in an unaltered state for a profit is altogether condemned by many socialists. In the middle ages this practice was called regrating, and the regrator was liable to be punished by fine, or the stocks or pillory.

There is only one way, says the socialist, to obviate all the evils which naturally arise under the competitive system. The state must be the sole manufacturer, the sole distributor, the sole employer. This involves the abolition of all class distinctions. Private ownership, though not absolutely abolished, would be restricted within very narrow limits. There could be no accumulation of property, no making of a fortune. All in point of possessions would be very much on a level. And lastly, except in so far as it is independent of all social systems, an end would be put to the struggle for existence.

There is a wonderful simplicity about these doctrines, but the easiest way to attain simplicity is often to ignore important facts.

With regard to land Karl Marx is on firm ground. Land, a term which must be understood to include sea, lake and river, is the source of all wealth. Land is limited in amount, and that private persons should own it absolutely and without restriction, as they own other property, would be altogether an injustice. This fact is emphasised by Herbert Spencer, the most individualistic of philosophers and the most redoubtable opponent of socialism. Sir Robert Giffen agrees with him and speaks no less decidedly.¹ It is not treated as strictly private property in England, since the state retains the right with or without the

¹ See *Essays on Finance*, Series I.

consent of the "owner" to buy land that is wanted for public purposes. Whenever a railway is made, the state exercises this power. Our existing system, therefore, recognises that the absolute ownership of land by private persons has no justification. Other property stands on a different footing. The land being the property of all, that is, of the state, is leased in portions to individuals who pay a rent or tax. Holding land thus leased, a man by his labour gets wealth from it. This wealth, less the rent or tax due to the state, is his property. He has a right to it because it is the product of his labour.

When, however, Karl Marx says that all wealth is the product of labour, he says what is true in a sense, but yet very misleading. To begin with, the value of a thing is not always in proportion to the labour required for its production, but sometimes depends on its rarity. A diamond is an example of this. Or the value of a commodity may suddenly increase because the demand for it increases. A man who has made bricks may find that, after the making they rise in value owing to the desire of many persons to build houses or other buildings without delay. In spite of these objections, however, the dictum—all wealth is the product of labour—remains substantially true. But it is most misleading in spite of its truth. Karl Marx himself interpreted it in a sense which only a prejudiced mind can accept. In the first place, he leaves the inventor out in the cold, and without inventions men would be little better off than they were in the stone age. Then there is the organiser to be considered, and in these days of big businesses he is a person of the utmost importance. But, to avoid complications, I postpone the consideration of the claims of inventor, and of

organiser, and take a simple case to show the helplessness of labour without capital. Most undertakings are for a time unproductive. For instance, a railway is to be built. For months, or probably years, the workmen who are engaged upon it will not by their labour produce anything on which to live—no food, no fuel, no clothes. For the time their labour goes for nothing. Meanwhile, they must live on the stored product of past labour. This stored product of labour that is put by to aid in future production is called capital. It may take the form of tools, machinery, food. Even a man's skill is the result of work, at the time economically unproductive, expended on his education, and thus his skill is his personal capital. Wealth, therefore, results in most cases not from labour only, but from labour assisted by capital. Since, however, capital is itself the product of labour, the great socialist dictum, taken as it stands, is true. But it becomes utterly misleading, because in the mouth of a disciple of Karl Marx it means that labour, as distinguished from capital, produces all wealth. As a matter of fact, were there no capital, most of the useful things that now enrich life could never come into existence. But, of course, this does not settle the question whether there should be private capitalists or whether all capital should be in the hands of the state. We come, then, to the question whether capital ought to be in private hands ; whether, in fact, a man ought to be permitted to put by part of the products of his labour to aid himself in future production : and, further than this, whether he should be permitted to lend what he has put by or stored to another man, and charge this other man interest for the use of it ; or whether, on the other hand, he should be allowed to have goods for his

own consumption only. Karl Marx takes the capitalist in his full-blown form as we know him to-day, and would much like to get rid of him. The advantage of writing a novel is that you live for a time in a world in which you can kill off all the disagreeable people whenever you choose. But in real life the law of the land makes such a course difficult. And so the capitalist, though pronounced by socialists an intolerable injustice, still survives.

Any one who thinks of committing himself to any revolutionary economic theories would do well first to observe capital in its embryonic stage, a plan that the socialist seems to shrink from. Take a particular instance. Somewhere in the New World a man has a piece of land allotted him. He thrives, and thinks of building himself a better house than the shanty he has so far lived in. His crops of last year enable him to neglect farm work to a great extent in favour of building. In fact, he uses his corn as capital. Here we have capital in the simplest form.

But supposing he does not want to build a house, but to have the means of sending his sons to school in some part of the country that has been longer settled, he lends his surplus supply of food to a new-comer who has just taken up land in the neighbourhood. This new-comer may succeed with his farming, or may not. There is risk, therefore, in lending. It is quite possible that the loan may never be repaid. The interest charged is the lender's reward for taking the risk and for standing out of his money for a time. He deserves the reward of abstinence. This word abstinence has excited much ridicule. The abstinence of a Rothschild or a Rockefeller is so purely theoretical. Mr. Rockefeller, if he attempted the immediate consumption of all his property, would be so terribly

overworked, like Mr. Brewster in the play, that in order to spare himself, he is obliged to lend his money. We must, therefore, discard the word abstinence, and say that the lender postpones the enjoyment of his property, bequeathes it to his son, perhaps, who in his turn decides on postponement. Risk, moreover, no less than such postponement, justifies the exaction of interest. So long as men are liable to error, their undertakings will often fail, and if no money that was not profitably invested paid interest, the element of risk would not sink out of sight as it is apt to do in the present day—in a previous chapter I showed how this comes about. Meanwhile, when we take a simple case, it is clear that lender and borrower are mutually benefited. In the case we have imagined, the lender is able to send his son to school, and the borrower is able to develop his land. If there had been no possibility of getting interest, very probably the goods lent would never have existed, for the lender would not have had the motive for work. The socialist condemnation of interest seems to have originated with the hatred of usurers so prevalent in early times. In small communities, clans, or tribes, or villages, all the clansmen, tribesmen, or co-villagers are actually or in theory of one family. If one happens to have something which another wants, a harpoon, or an ox, or a plough, he lends it to him free of interest.

“ For when did friendship take
A breed of barren metal of his friend ? ”

It does not matter that the benefit is all on one side, and the obligation on the other. But, as I have mentioned in an earlier chapter, there were here and there neutral bits of ground between the land of hostile tribes or villages, and here markets were held.

If the members of the neighbouring tribes met anywhere else, they fought. Here they haggled and got the best price they could from their enemies. If borrowing under the circumstances had been possible, the lender would have exacted from his enemy, the borrower, the highest interest obtainable. The idea of the brotherhood of all men is at the bottom of the condemnation of interest by the early Christian Church. St. Chrysostom says that money-lenders "traffic in other people's misfortunes, seeking gain through their adversity: under pretence of compassion they dig a pit for the oppressed."¹ The subject of usury roused Ruskin to eloquence and fury. When asked for a definition of usury, he replied that there was no need for one, any more than there was for a definition of murder at the court of Richard III. But when communities become large, it is natural that lenders should expect interest. There can be no talk of a common ancestry, and the tie between the members becomes less close. Men want loans, however, no less, or even more, than before. In early Plantagenet times Englishmen borrowed from Jews, whom they looked upon as enemies, till Edward I. banished them because they were too extortionate. But when they were gone, men still had need of loans. Members of guilds who wished to manufacture on as large a scale as the law allowed, might well have need to borrow on occasion. If they borrowed from a comparative stranger, he would want interest on his money. Why should not the service be mutual? And thus payment of interest and the system of working with borrowed capital would arise quite naturally and inevitably. As long as private property exists, money-lending will continue, and

¹ Quoted by Professor Marshall in *Principles of Economics*, p. 668.

interest will be charged on loans. When friend lends to friend, or one member of a family to another, it may, of course, be treated as a matter of friendship and not of business. But to forbid the exaction of interest in business transactions is to put a stop to borrowing and lending altogether. It is to forbid a man, who has means, to help another, who has not, in the way that he best can help him. It is too much to expect of the ordinary man that he should lend to a stranger and expect only the repayment of the capital at some future date.

So far all is plain sailing. There is no difficulty in justifying the exaction of interest on money lent. But it must not be supposed, because a system is based on a sound principle, that therefore all its developments can be pronounced good and beneficial to the common weal. At present, however, I wish to speak only of the principle, quite apart from the developments, whether desirable or not, to which modern trade and manufacture have given rise.

Regrating, no less than the exaction of interest, was in ancient days looked upon as a thing that defiles. But modern industry has multiplied regrators till there are hundreds of thousands of them, and in speaking of them we use the term shopkeeper or dealer, to which no stigma attaches. In ancient times villagers and even townsmen were in theory a brotherhood, and when in time the idea of a common descent evaporated, they were at any rate friends banded together for mutual defence. In such a community, therefore, it seemed an unnatural thing to buy a sheep or a mattock, and then proceed to sell it unimproved at a higher price. For a man's livelihood in those days was derived from the cultivation of the land, or some other productive work. A professional

distributor was not wanted in so small a community. When a man bartered or sold goods, therefore, it was not in order to make a living. In the same way, in this commercial age, if a man were to buy a camera, say, and then sell it to a friend for more than he gave for it, he would be considered to be beyond the pale. Even in quite early times a class whose business was distribution began to arise. Merchants travelled all over the country and sold their goods, mainly at fairs; and often foreigners came over and made competition keener, for competition is not a mushroom that sprang up yesterday. About the year 1300 the Nottingham fair was curtailed to four days in the interest of the local traders.¹ But probably these local men were none of them regrators, none of them mere distributors like the travelling dealers or merchants who competed with them. In the present day distribution has become a very complicated affair, employing hundreds of thousands of persons. Now, when a man devotes all his time and energy to a particular business, clearly he must get his living out of that business, or try some other, or starve. And he cannot get his living out of the distributing business without selling at a profit. We all wish at times that a clean sweep might be made of all middlemen. And yet any one who has ever lived in the country far from shops has often wished that a few of these "parasites on modern industry" would settle in his neighbourhood. If buying and selling again unaltered for a profit is an evil, it is an absolutely inevitable one.

So far I have considered only the relative claims of labour and capital. But there is another claimant

¹ Cunningham, *Growth of English Industry and Commerce* (Early and Middle Ages), p. 181.

—and yet another remains whom I shall introduce later on—who, if justice were done him, would receive a far larger share than he does. This third claimant is the inventor. To the typical socialist he is simply a worker like the rest. For it is wonderful how many socialists fail to distinguish between high-class work and work which can be measured by time or in foot-pounds. Yet it is the inventors that we have to thank for the fact that we are masters of the world, and that we no longer have to look upon wild beasts as our rivals. It is the inventors who, aided by capital, have brought it about that the world is no longer poor, however poor many individuals may be. It is the men of eager thought, of originality, of enterprise who have brought into existence the huge accumulation of wealth which the socialists maintain should be divided with approximate equality among all. The inventor, they say, should be rewarded mainly by the fact that he does a service to the community. He is not only to be a genius, but he is to be an embodiment of altruism, so that if he increases the happiness of others it will be reward enough for him. Indeed, what reward would the state, as the socialist imagines it, confer upon him? It cannot give him a position much above that of the rank and file without being false to its own principles.

Aided by a machine a man is able to do many times—say sixty times—as much work as a man could do in ancient days with nothing but a tool to help him. Therefore, say the socialists, or many of them, he ought to be sixty times as well off as men were before the invention of such machines. But, as I have pointed out in the previous chapter, there are many deductions to be made from these sixty times. The machine has to be made, and there are enormous numbers of indirect

producers, such as doctors, schoolmasters, clergymen, policemen, who are indispensable to working men as they are to others. To all of these the machine has to pay toll. Still, when we have made this deduction, there is an enormous increase of production, and the question is to whom it should be assigned. A large proportion of it ought to go to the inventor. That goes without saying. It is not the workman who deserves the credit for all the increased output, but the machine. The machine represents brain, and the brain is that of the inventor. The general principle is clear enough, but great complications come in. To begin with, the inventor if not backed by capital would be helpless. When he gets a brilliant idea, if he has not sufficient capital at command to put it into a concrete shape himself, he must apply to some capitalist. The latter, if he decides to launch the invention, has probably to spend a large sum of money on what may turn out to be of no use. Perhaps just the finishing touch has not been put to the design. Or something just a little better may be invented before long, and so the design he has adopted may be rendered useless. How to divide, therefore, the resultant gain between inventor and capitalist, is a problem even when we take a particular case.

New difficulties keep cropping up as we try to find a canon by which to judge. It often happens that a particular invention is "in the air." A is first in the field; but if the particular idea had not taken shape in his mind, B would have solved the problem before long. It cannot be maintained, therefore, that A has a right to keep others from the field in perpetuity. It is impossible by any system to arrive at absolute equity, or even an approximation to it. Legislation should aim at encouraging invention, but should avoid

hampering industry by letting monopolies extend beyond a reasonable number of years. This is but a vague general principle ; but since it is impossible to formulate anything definite, let us go on to consider another matter—the unowned invention. Since patents run only for fourteen years, though on petition their duration may be extended, most great inventions are now common property. Any one who chooses may turn them to account. It might be thought, therefore, that questions of right arising out of the invention were all long buried, like the inventor himself. Unfortunately this is not so. The socialist regards the working man as heir to all the wealth that the inventor has left behind him. The capitalist holds that to him should fall at any rate the lion's share. And certainly there is much to be said on his side. Capital at its best represents enterprise in business affairs, and without enterprise invention would be useless. Capital continues to make it possible to put invention into a practical shape. If the comparatively few men of real enterprise were eliminated, discoveries and inventions would not long remain alive to enrich the world. Machines that once multiplied the power of labour would rot and rust and become mere objects of antiquarian interest. This is no imaginary picture, for it has often happened that arts have been lost and that civilisations have decayed. The men of enterprise of to-day—and they are but a small fraction of the population—are carrying civilisation farther forward. But were these few all swept away by some sudden pestilence, we should not only find our progress arrested, but we should retrograde. Energy and enterprise are required even to maintain what we have already gained. Ought, then, the capitalist class, with which nearly all the men who help the world

66 THE THEORETIC BASIS OF SOCIALISM

forward are connected, to enjoy all the increase in wealth due to inventions, whether recent or many years old, or ought the labour class to receive a large share ? In this matter we must take a broad view. We cannot keep classes separate as if they were castes. The more cultured classes are continually being recruited from the less cultured, and men of light and leading sometimes spring from the labour class. Moreover, the labour class contribute to progress by the sacrifices they make. The mass of them, crowded together as they are in big towns, live, on the whole, under less healthy conditions than their ancestors before the days of the great mechanical inventions, and, unless population were thus massed together, manufacture in the modern style would be out of the question. Besides this, they have long hours of dull mechanical work. The sacrifices they thus make, though they are made involuntarily, certainly deserve compensation. Equity demands, then, that the capitalist, the inventor, and the labourer should all have their share in the increased wealth due to mechanical inventions. And even if equity assigned to the labourer no share at all, yet no humane manufacturer would wish his wealth to be built upon the hard, grinding poverty of his employés.

But the capitalist, the labourer, the inventor, are not the only claimants. To say nothing of the many indirect producers, without whom civilisation would be at a standstill, there is yet a fourth person whose claims have to be considered, a person of hardly less importance than the inventor, namely, the organiser. In former times the capitalist himself organised his own business, but in these days of joint-stock companies the organiser is the manager put in by the company. A first-rate manager is worth his weight in gold, and it is true economy to pay him highly.

Some educated socialists are coming to recognise that high-class work must be highly paid. But do they impress this on the rank and file of their followers? Or do they still talk on public platforms in the old Marxian style about labour—which must mean to their hearers labour in the narrow sense—being the producer of all commodities? But perhaps, instead of condemning them for insincerity, we should welcome even a momentary and half-unwilling admission that there are different classes of labour deserving widely different rates of remuneration. It is the constant habit of socialist writers and speakers to glorify the lower labour, and keep the higher as far as possible out of sight. And yet it is impossible to live for a day in any civilised country without feeling how large a part the higher labour plays. It is impossible to look at Westminster Abbey, or the Forth Bridge, or an Atlantic liner, or even a railway engine or a motor-car, without feeling that the labour which is not merely toil of muscle has been an important factor in their production. Or how is it possible to walk through a large factory and see hundreds of men, each at his allotted piece of work, and yet fail to see that an organising mind is implied by the wonderful organisation? Or if the necessity of superintendence and “wages of superintendence” is not denied, how is it possible to imagine that such work is easy, and that you can pick up an organiser any day and any where, and that there is no need to remunerate him much more highly than the ordinary man? Still more is it impossible to walk through the city of London in the morning when the crowds are pouring in, and see the bustling thousands, each individual intent on his own work, knowing where he is wanted and what he is expected to do—it is

impossible to see this and imagine that the state is capable of organising the city and all its business ; and yet the socialist expects of it a great deal more, expects it to organise all the business of all Great Britain.

One can understand an uneducated or half-educated man cherishing these fallacies, minimising the importance of the higher labour, and thinking nothing too difficult for the state. If he only had more education, he argues, he might himself manage a factory or a railway or any big concern, or even enrich the world by some great invention. But an educated man ought to know that there are few men, however great the advantages they have had, capable of doing the really great things.

Education deepens the inequalities between man and man instead of levelling them. It opens to the man of ability wide fields of thought and knowledge, into which the man of small brain power cannot possibly effect an entrance. Herbert Spencer, indeed, is at great pains to prove that a man is the product of his environment, and this is very largely true. Socialists have made use of his admission, and misapplied what he says. It is quite true that whatever great work any great man has done, he would have been powerless to do had his environment been altogether unfavourable. In this sense he is the product of the period in which he is born, of the people among whom he lives and whose traditions and ways of thought he imbibes. But it is equally true that without the man's inborn greatness of mind or character the environment would have been powerless. A little education enabled Shakespeare to write Shakespeare, whereas, it has been truly said, no amount of education would have made George III. a genius. The environment can only actualise what is already there potentially. It can develop and modify, but it cannot create.

I will now sum up the conclusion I come to with regard to the fundamental questions we have been discussing. The answer we give to those questions goes far to deciding whether we are to be socialists or individualists.

First, land is the property of all, *i.e.* of the state. Whether the state should itself manage the land is another question altogether: it is not so easy to manage landed property. But beyond all dispute the state has the right, of course indemnifying the private "owners" fully, to resume possession of any part of the whole. All wealth is the product of labour, though the value of a particular commodity may not be proportioned to the amount of labour expended on it. But when we speak of labour producing wealth, it must be remembered that in practically all undertakings a large proportion of the labour is past labour, stored in the form of capital. It is right that there should be absolute ownership by families or individuals of property other than land. A man occupying land with the consent of the state, and paying a rent or tax for it, produces commodities by means of his labour. To deprive him of these commodities would be to deprive him of the fruit of his toil. The labour is his own, and the fruit of it should be his. All these arguments apply equally to what a man earns as a distributor of commodities. Now, if a man may have property of his own, it follows that he may make it over to another man for a time, on condition that not only is the loan to be repaid, but interest in addition. There is nothing unfair in this. The borrower gains, the interest compensates the lender for his risk and for postponing the enjoyment (consumption) of his property, and so the benefit is mutual.

Capital does not deserve the indiscriminating abuse which socialists have rained upon it. As long as it stimulates men to exertion it is a good thing. When the result of saving or borrowing is that labour is more effective, then capital appears as the friend of the man of energy. It is capital which builds cities, drains marshes, fertilises the desert, makes the progress of the human race far more rapid than it would otherwise be, or even saves it from absolute stagnation, or, worse still, retrogression. All this it does when it brings out the man who has stuff in him by giving him the motive for work and the means to work. But the capitalist system may become unhealthy, hamper men's freedom, and keep wealth in the hands of those who make no good use of it, and who could never have earned it. In this form capitalism is at enmity with individualism, and, of course, with Darwinism.

But capitalism even at its worst can never have the crushing, deadening influence that socialism must inevitably have. Socialism would not only introduce unjust and impossible economics; in spite of the obvious inequality of men, it would put the higher on a par with the lower. Such a system can never be a working one, since it would destroy the main motives for enterprise and put an end to the struggle for existence, the action of which maintains the health and vigour of human communities.

CHAPTER XXIII

THE POWER OF THE STATE

ANCIENT ROME—SIEGE OF JERUSALEM—THE FEUDAL SYSTEM—
OUR AMERICAN COLONIES—THE EUROPE OF TO-DAY—THE
STATE UNDER SOCIALISM—WHAT THE STATE CAN DO AND
WHAT IT CANNOT

UNDER the proposed socialist régime the State is to be everything—the universal employer, the universal educator, the universal regulator, and, as any one who has not caught the fever of socialism must feel, the universal muddler, meddler, and tormentor. It is to be omnipotent, and omnipresent, in fact. But how is this omnipotence to come into being? How is it to be brought about that men will submit to such a rule? And what is to prevent the disintegration of the state?

To understand the nature of the state, the source of its power, under what conditions it grows strong, under what conditions it grows weak, we must study its historical development and see what conditions have produced such cohesion and such centralisation. Socialists go on a very different principle. Though their cardinal doctrine is that the state is to be omnipotent, yet they do not inquire whence it obtains the great power it even now has. But history could tell them if they wanted to know, and they might feel sure that whatever power the state may have

in the future will be traceable to the same cause as that which it already possesses. The study of its history is, therefore, strongly to be recommended to all who theorise about the state and its possibilities. But the socialist of to-day is apt to credit himself with a knowledge of the future, only equalled by his ignorance of the past. The more ignorant he is of history, the more clearly do the unborn centuries unfold themselves before his mind's eye. He sketches the republics of the future and fills in the details with amazing ease. The future spreads like a map before him, while the past is hidden in the pitchy darkness of his ignorance. And yet in the history of the past—and in history as we see it in the making—is to be found the only key wherewith to unlock the future. The question now before us is this—Whence does the state derive its power? Why do men, grumbling but not rebelling, submit to the grievous burdens which it imposes? Why are great aggregations of human beings, even though they are not homogeneous in race, and even though they are formed into inner groups that aspire to be nations, yet content to live under one government, often quarrelling, perhaps, yet shrinking from the disruption of the state?

I have shown that little village communities derived all their strength and cohesion from the fact that they were always contending against some assault from without, against other villages or against bands of robbers or extortionate tax-collectors armed with the knout. Now that in India under British rule they find themselves in smooth water, with no serious dangers, the life goes out of the little communities. And naturally, since every man is an individualist till necessity drives him to sacrifice his liberty. Only

to avoid very great evils will a man submit to live emmeshed in the entanglements of a system, having to do as others do, instead of having a free field for his energies. The man of enterprise will live thus cribbed, cabined, and confined only if he can see no chance of leading a freer life. But when fighting has to be done, when the community is attacked from without, then individualism is out of the question. Discipline is required, and authority is readily submitted to. Friction grows less for the time. In the presence of danger the sharp irritating angles of men's characters seem less prominent, and in the heat and stress of conflict the minor irritations of life are unnoticed, since everything is overshadowed by the imminent peril. Flea bites do not irritate when there is a wounded tiger a few paces off. Moreover, there is a positive delight in being in absolute sympathy with others, in sharing a great danger and a great triumph. It is under such circumstances that the pleasures of association with others make themselves felt. But when the conflict is over comes the longing to develop the individual life, to choose congenial friends who help it to expand and develop, instead of being enrolled in some association or community where the mutually uncongenial suffer from each others' angularities, and where on individualism and enterprise, should it ever attempt to lift its head, lies the oppressive weight of a system, the weight of ancient custom, tyrannical and life-destroying. The most spirited would like to shake off the yoke, to have done with the village and its trammels. But the same dangers may arise again, and for the sake of their own safety they are obliged to submit. Integration proves stronger than disintegration, and the village community lives on.

It is with the state as it is with the village community. It derives its strength from antagonism. There are enemies who seek its destruction, and in self-defence the citizens must sink their differences, or the strife of factions will end in the ruin of all. Faction ran high in ancient Rome. The hatred of plebeian for patrician, of patrician for plebeian, was so strong that they would have given anything to be free of one another. The plebeians several times threatened secession. But the patricians could not do without these hated outlanders, who had settled in Rome uninvited and unwelcome. There were hostile states all around, and unless she could somehow settle her internal strife, Rome must pass beneath the yoke. And so a makeshift arrangement was arrived at. The plebeians were allowed to have magistrates of their own who could defend them from the patrician magistrates, and, before long, they had a legislative assembly of their own. The patricians made laws and the plebeians made laws. There were two states, an *imperium in imperio*. The tendency to disruption was strong, but the need for combination against the enemy outside the walls was stronger. And so the two parties agreed to live as enemies, their hostility admirably expressed by the most unworkable of constitutions. But the continual imminence of danger from without made the unworkable somehow work. Peace within was preserved in spite of mutual hatred. When necessity compelled, faction was forgotten for the time, and they presented a united front to the foe.

When Jerusalem was being besieged by Titus, party feeling was at white heat. There was, at least during the early part of the siege, fierce fighting between the factions when they were not making a sortie or when

the Romans were not actually assaulting. "This internal sedition," says Josephus,¹ "did not cease when the Romans were encamped near their very walls. But although they had grown wiser by the first onset the Romans made upon them, this lasted but a while, for they returned to their former madness, and separated one from another and fought it out." But party feuds when the enemy were at the breaches meant ruin. In combination alone lay the possibility of safety. And so at last even in the hearts of these frenzied haters the instinct of self-preservation began to stir and conquer the tendency to disintegration.

Under the feudal system these two opposing tendencies, the centripetal and centrifugal, were constantly at work. Attack from without worked for integration, made strong the central authority, made strong the State personified in the king. When there was no common danger impending, then disintegration began, and the great vassals set up as independent princes had their own system of justice (or injustice), and coined their own money in regal style. William of Normandy was one of these vassals: he had made himself practically independent of the French king. His barons submitted to his authority, else they would have been at the mercy of some other princeling or of the king. William was a stark man, a marvellous disciplinarian, but, after all, the best disciplinarian can only turn to the best advantage all that circumstances make possible. The independence of Normandy resulted from the disintegration of a loosely cemented larger body, the French kingdom. The small body that flew off was so closely integrated that it had a strength beyond its numbers, and so it conquered England, and integration on a larger scale re-

¹ Whiston's *Josephus* bk. v. ch. vi.

sulted. France remained a loosely welded feudal monarchy till attack from without made the French people a nation : Cressy and Poitiers began the process. After an interval, dynastic trouble and civil war left her weak and vulnerable. Henry v. took advantage of this, and, being a man of genius, a great soldier and a great statesman, he went near to conquering France. England seemed to hold France in her grip, but the long-continued presence of a foreign foe created a national spirit in the conquered such as there had never been before. Such a spirit once roused, the ejection of the English invaders was inevitable. Burgundy's change of sides no doubt hastened the catastrophe. It cannot be said to have caused it.

In early days our American colonies had but little tendency to amalgamate. It is true that the news of civil war in England and the fear of trouble with the Indians caused four colonies—Massachusetts, Plymouth, Connecticut, and Newhaven—to form a confederation, known as the United Colonies of New England. But with this exception each preferred to be separate and independent of its neighbours. They had much to keep them apart. The New England colonists were Puritans who had emigrated to escape persecution. The settlers in Virginia sprang principally from “the upper middle class, the smaller landed gentry with a leaven of the well-to-do trading classes.”¹ The law of primogeniture deprived younger sons of good family of all hope of having estates of their own in the Old Country, so they tried their fortunes in the New World. They were mainly adherents of the Church of England. In Pennsylvania the Quaker element predominated. In New England, Acts were passed excluding and punishing Quakers as heretics ; in Massachusetts the

¹ *Cambridge Modern History*, vol. vii. p. 8.

law was put in practice, and they were very severely dealt with. In cases of extreme obstinacy an Act imposed the death penalty, and four Quakers were actually hanged.¹ In the Northern colonies there were no slaves; in the South, slaves were numerous, and all, or nearly all, the unskilled labourers were negroes. In some colonies the mother-country was regarded with affection; in others, the settlers had too lively a recollection of the persecutions that drove them to new lands. Everything tended to keep the young communities apart. It was important, of course, to maintain law and order, and the Indians were for a time formidable, so that each colonist felt the need of some amount of government. He could not stand alone. But the different colonies did not feel any need of federation.

So things went on till a great danger threatened. The French—who had strong settlements in Canada, settlements also far southward, at New Orleans—formed the plan of making a chain of forts connecting their northern and southern colonies, and eventually driving the English settlers from the coast into the Atlantic: a very bold and far-reaching plan. Our colonists, slow at first to realise their danger, put forth no great effort, and the imperial troops who were sent in the early days of the war to their aid were entrusted to commanders of small capacity. But eventually the colonists roused themselves. General Wolfe appeared on the scene, Quebec was taken, and French power in North America was no more. But this was not the only result of the war. Our colonies had been associated in a great struggle, and a bond of sympathy now united them. Still, very little might have come of this. Each might once more have gone on its own way,

¹ *Cambridge Modern History*, vol. vii. p. 25.

minding its own affairs, had not a new enemy, no other than the mother-country, appeared on the scene. In order to prosecute the war vigorously, Pitt had borrowed money in amounts undreamed of before. When the war was over, the colonies, whose immediate gain was far greater than that of England herself, began speedily to recover. The mother-country found herself loaded with a heavy burden which she called upon the colonies to share with her. They, however, now that the French peril was no more, would brook no interference from the mother-country, especially as the demand for the contribution was put ungraciously, and in a way that conflicted with a cardinal principle of our constitution. The War of Independence began, and was fought out. As the result of it the colonies were not only united by a bond of sympathy, but they had formed themselves into a union of states with a written constitution. They had twice had to combine against a common foe, and the union resulted from that. In 1812, to keep alive the strong national feeling that had been engendered, there was again war between the United States and the mother-country. However, in 1861 a tendency to disruption showed itself. The Southern, slave-keeping states wished to leave the Union and keep their slaves, in defiance of the Northern states, who were determined to abolish slavery. But the integrating tendency, engendered by past struggles, was still strong enough to prevent disintegration, and by its triumph made the union still stronger.

Let us now consider the Europe of the present day. We have got so used to thinking of the peoples who make up the European family as imbued with a strong spirit of nationality, that we are apt to forget that there was a time when things were very different, when kings or emperors maintained armies of pro-

fessional soldiers, who fought mainly because it was their business, and when love of country, though it of course existed, was but a smouldering fire. It is this that made Napoleon's conquests possible. He defeated armies, not nations. As soon as patriotism awoke in Spain, he found that the defeat of armies in the field did not always bring wars to an end. With England he was never able to make short work, since with us liberty was not extinct. The French tricolor created nations. It brought blessings with it, though hardly in the direct way it was intended to do. It came as a liberator, but it proved oppressive and tyrannical. Princes appealed to their peasants to fight against the invaders, and mere masses of population became nations. And now, though wars are rare, there are rivalries between the great nations which show no signs of dying out. There is unceasing preparation for war, though not war itself, and thus national feeling is kept alive and disintegration is prevented. Were it not for danger from without, the United Kingdom of Great Britain and Ireland would, we can hardly doubt, sooner or later become divided into four or more loosely federated fragments.¹

It is plain that as with small communities so with powerful states, cohesion arises from antagonism. As the village community dwindles and pines when it has no enemies threatening it, so the great political amalgamations of to-day are welded together by their mutual antagonism. It is only fear of rival nations that makes men submit to conscription or

¹ A long period of isolation did not, it is true, bring about the disruption of the Mikado's kingdom, but Japanese patriotism was roused only by danger from without. See Captain Brinkley's *Japan and China*, vol. iii., especially p. 170.

pay heavy taxes to support a Navy. If Russia, France, and other possible enemies did not exist, conscription would soon be at an end in Germany, separatist tendencies would soon develop in the various states ; and if complete disruption were averted, yet there would be but a loose federation in place of the present empire.

I have thought it necessary to bring out this point clearly, because the state is the foundation-stone of the socialist edifice. On the omnipotence of the state everything depends. And yet socialists are, as a rule, opposed to all wars between nations. The French revolutionists said : " All governments are our foes, all people are our friends." The modern socialistic version of this would be : " All capitalists are our foes, all workers are our friends." A socialist's whole combativeness—and he has often an almost unlimited stock of it—is used up in his opposition to capitalism. Hence it is that the working classes in all nations are drawing towards one another, and the feeling is arising that a millennium of universal peace might begin if only capital could be knocked off its pedestal and the reign of socialism inaugurated. All this depends on two unfounded assumptions. First, it is assumed that wars are due to capitalism : " Only kill capitalism and wars will cease." Secondly, it is assumed that under a reign of universal peace, when there were no war-drums to throb, and when guns and torpedoes existed only in museums to show the strange habits of men of bygone days, the state would still be a body exercising despotic authority.

It is true that wars sometimes have a taint of capitalism in the present day. But capitalism on a large scale is a very modern growth, and there have been wars in all ages. We must, therefore, look much

deeper for their origin, and we shall find it in human nature. Disputes will arise, and as long as human nature remains fundamentally unchanged, men will stand up for what they imagine to be their rights; they will form associations for mutual defence or for aggression. These associations, by whatever name they may be called, will make war upon one another as the nations make war now. But let us imagine a reign of universal peace. Let us make the voyage which the socialist undertakes so airily, and in fancy travel from this hard world of insuperable facts to Utopia. And let us imagine that by some miracle the state, as the socialist would have it to be, has got itself established. It is the benevolent, universal employer, the universal educator. It publishes the newspapers and inspires the leading articles. Yet disagreements will arise even under the rule of the most benevolent of governments. A tendency to disintegration will arise, as in Robert Owen's community, and any body of persons who wish to secede, to get some land, set up a new state, and manage things their own way, will be able to point out that no one else will be interfered with. There will be no harm, they will argue, in the State breaking up as universal peace has been established, and that no cloud is visible or is likely to be visible on the political horizon; and so they will secede. But new disagreements will soon arise, and new secessions will take place. There will be proof of the infinite divisibility of a large state. But in reality long before this point has been reached wars will have arisen among the little communities. And so we have already got out of Utopia into the old world of loves and hates, of alliances, of quarrels, of fighting.

Enough has been said to show that the omnipotent

state, that the socialist dreams of, cannot exist when universal peace has been established. The community can only hold together when there is antagonism. The dream of the socialist, in fact, involves militarism, much as he dislikes it. The State will break up when wars and rumours of war are no more.

Suppose now that the socialist modifies his theory. He decides that wars are not to come to an end. External dangers are to give to the nation the required cohesiveness. There are still to be rival states against which it must defend itself. Is collectivism under these circumstances a possibility? The answer must be emphatically "No." The State alone is to manufacture; that is the cardinal principle of collectivism. Now, even socialists own that, under the system they propose, business and manufacture would not be carried on with the eagerness and the intensity that characterises competitive industry. How, then, should we—if we imagine Great Britain a socialist republic—fare in competition with other countries in which individualism still prevailed? It would be possible to save labour by submitting to deprivation, by simply not making many things that, though in common use, may yet be considered luxuries. But even supposing—and it is a bold supposition—that the nation were ready to submit to such sacrifices, can we imagine, when we consider the way in which public bodies do their work,—how apt they are to sink into lethargy, how frequently jobbery arises,—can we imagine that the nation under socialistic rule would be able to hold its own in trade and industry against others which still permitted free enterprise and free competition? And defeat in commerce would almost certainly mean

defeat in war, for military and naval power, though the human factor is still the most important, yet depends largely, and far more than formerly, on wealth.

Here, then, is a dilemma on one horn or the other of which the socialist is impaled. Under a reign of universal peace, the State, on the omnipotence of which he counts, would disintegrate into fragments. On the other hand, if national rivalries are to continue, any nation which exchanges the eagerness of individualism and competition for the sluggishness of collectivism, will infallibly be defeated by some other in which individualism has freer play.

But there remains a question to answer, and a very important one: How far is it possible to go towards socialism without injury, or even with advantage, to the community? I have already pointed out that there are certain things the State must undertake and which it can do efficiently, while at others it is a bungler beyond possibility of reform. It can regulate industry, for instance, by restricting the hours of labour and insisting on healthy conditions. The Factory Acts are a good example of the state's efficiency in this sphere. Besides this, the state can spend money with good results, though scarcely ever economically. The Post Office, for example, may be looked upon as a very fairly efficient public department, and the work of the Post Office could not with advantage be entrusted to private firms. But there is a world of difference between the employment of wealth and the production of it, and there is no reason to suppose that the State as a producer would be anything but a failure. Even where state activity has had very fair success, it is not desirable that it should be extended much further. Let us imagine a rather extreme case:

imagine that the majority of the citizens are Government employés. They are both masters and servants. They clamour perpetually for an increase of their pay ; in point of fact, vote themselves an increase. And what becomes then of the unfortunate minority who have to pay taxes, but do not get them back in the form of salaries ?

There is, too, the question of education. Is the State a competent educator ? The consideration of this I propose to put off till a later chapter.

CHAPTER XXIV

SOCIALISM TENDS TO DESTROY ITSELF

NATIONAL WORKSHOPS IN 1848—ROBERT OWEN'S "NEW HARMONY—POPLAR"

AS a theory, socialism is very vigorous. In the leading countries of Europe it is making its voice heard, and not a few persons who feel that they were born to be prophets have foretold that capitalism is *in articulo mortis*. No doubt socialism has grown strong of late, and those who argue that what has advanced at a certain rate for, say, the last twenty years must continue at the same rate, have no doubt what is to them good ground for the belief that capitalism is passing away. But before venturing to publish a prophecy to the world or accepting the prophecies of others, it is well to investigate facts. And first this question must be asked and answered: In what environment does socialism thrive? In a community organised on the principle of competition, or in one in which the creed of the socialist is put into practice as far as is possible? No two answers are possible to this question. Socialism thrives on a diet of theory and pines on a diet of practical experiment. There is much truth in what Anatole France says: "The love of liberty has an edge put on it by the grindstone of regal rule or Cæsarism: it grows

blunt in a free country." ¹ The author of this profoundly true remark has himself very strong socialistic leanings, and he fails to see how the principle which he enunciates cuts at his own theories. Capitalism is the strength of socialism. It is the grindstone of capitalism which puts an edge on the love of socialism; whereas practical socialism blunts and destroys it.

Of course, Mr. Sidney Webb and those who hold with him would not accept this. In their view socialism has already been largely put into practice in England, and we have only to continue legislating on the same lines and we shall gradually glide into the haven that they long for. This view, honestly held by many socialists, can remain alive only as long as they refuse to see that the essential part of the system they advocate has not yet been introduced, not even the thin end of the wedge of it. Does the State as yet manufacture so successfully and so economically, that any fair-minded man can believe that if it were the sole manufacturer the people could even be reasonably well fed and clothed? Can we pronounce a favourable verdict on municipalities as manufacturers or as business institutions? As a matter of fact, neither the State nor municipalities have succeeded in creating wealth; they merely spend, with greater or less wisdom, a large part of the earnings of competitive industry.

But there have been not a few genuine experiments in socialism, where communities, in some cases small bodies of genuine zealots, have tried not only to spend but to produce wealth, and, as far as I know, every one of these experiments has been a complete failure. There is the historic instance of the national

¹ Sur la meule de la royauté ou du Césarisme s'aiguise l'amour de la liberté, qui s'émousse dans un pays libre.

workshops started by the Provisional Government of the French Republic in 1848. A Commission that was before long appointed to inquire into their working, pronounced them a failure. Socialists tell us that the government, by its unfriendliness, killed these national workshops,—killed its own children. It would be more true to say that the right to work which the law conferred on every citizen meant very often in practice the right to idleness, and the fighting which followed the abolition of these workshops was a war between the industrious on the one side, and fanatics and the wasters on the other. But in the same year Paris saw the failure of a socialistic experiment which started under the very fairest auspices. Louis Blanc, a thoroughgoing and thoroughly honest socialist, was put in charge of a national tailoring shop. An account of this undertaking was given in the *Spectator* for February 8th 1908, and its correctness has not been impugned. "The government furnished the capital without interest, and gave an order for twenty-five thousand uniforms for the National Guard. Eleven francs for each uniform was the usual contractor's price, a sum found sufficient to provide the profit of the master tailor, remuneration for his workshop and tools, interest on his capital, and wages for the workmen. The government gave the fifteen hundred organised tailors the same price. The government agreed also to advance every day a sum of two francs for each man as subsistence money. When the contract was completed the balance was to be paid and equally divided amongst the men." Notwithstanding the law limiting the hours of labour to ten, the principle of glory, love, and fraternity was so strong that the tailors worked twelve and thirteen hours a day, and the same even on Sundays.

"Yet, strange as it may seem, enthusiasm and love of the State could not avail to make the wheels of production go round. When the first order was completed, instead of the government finding that they had paid eleven francs per uniform, they found that they had paid no less than sixteen francs." Socialism failed even when it was at white heat,—it certainly was so at Paris in 1848,—and when the government made the conditions in every way favourable. Of what would it be capable when its first enthusiasm had died down?

I will now give some account of another socialist experiment which, though tried under the most favourable conditions, proved a complete failure. In 1825 Robert Owen founded a settlement in Indiana, to which he gave the name of New Harmony (Ominous name!). The society was to be open to all "except persons of colour." The members accepted no pecuniary liability. They were to bring with them their own furniture and effects. They were to work under the direction of the committee at some trade or occupation. A credit was to be put to each man's name at the public store for the amount of useful work done, and against this credit a debit was entered for goods supplied. At the end of the year the balance was to be placed to the credit of the member. Thus the principle on which the society was originally constituted was modified individualism. But before long Robert Owen formulated a new and definitely socialistic constitution. "All members of the community"—so ran the article—"shall be considered as one family, and no one shall be held in higher or lower estimation on account of occupation."¹ "They shall have similar

¹ I quote from the *Life of Robert Owen*, by Mr. F. Podmore. See pp. 293, 301.

food, clothing and education as near as can be, furnished for all according to their ages, and, as soon as practicable, all shall live in similar houses and in all respects be accounted alike. Every member shall render his or her best service for the good of the whole." Each occupation was to choose an intendant. The real estate was to be vested in the community as a whole. Thus, as Mr. Podmore puts it, "The society at one step emerged from the chrysalis state of modified individualism into the winged glory of pure communism."¹ Robert Owen's splendid enthusiasm was infectious, and many who required no infecting came to enrol themselves as citizens of New Harmony. But before long it was decided to divide the land surrounding the settlement between two small communities. Thus the parent institution had hardly been established before it gave birth to two daughters. Put thus it sounds well enough, but in the light of what followed we should look upon it as the beginning of disintegration. By March 1827 there were four daughter communities, though one of the eldest daughters after a life of a year had dissolved itself. One form of government was tried after another, until convincing proof was given that the characters and habits of the population were too various to admit of their being united in one communistic settlement. "Families trained on the individualistic system," said Robert Owen, "had not the moral qualities necessary." To put it more correctly, men and women, being simply men and women, had not the qualities required. Owen went back to England in 1828, and soon afterwards—it was started only in 1825—the little community lapsed into complete individualism. It had the advantage

¹ *Ibid.* p. 302.

of being started by a really great man in whom were united—rare combination—enthusiasm and business capacity. But enthusiasm and high character and business capacity were powerless to make socialism or communism practicable systems. No sooner is socialism put into practice than a tendency to disintegration shows itself. The community breaks into a number of communities, since the component members cannot agree. The partly socialistic villages of primitive times only held together because danger from without made cohesion a necessity. When there is no external pressure, any community (and a socialistic community more rapidly than another tends) to divide and again divide as inevitably as a unicellular organism splits into two cells, and each of these before long into two more. But the small communities into which Robert Owen's mother settlement split only represented a transition stage. The strain and friction of socialism soon became intolerable, and the end was individualism. Socialism—let me repeat it—thrives as a theory when the society is organised on the competitive principle. When put into practice it destroys itself and breeds a universal longing for individualism.¹

I will now take an instance of what may be called a squalid dabbling in socialism. Poplar has always been notable for its poverty, but in the matter of outdoor pauperism it did not rise above the London average, till certain guardians with strong socialistic views set to work to turn it into a sluggard's paradise. The process began in the early nineties of the last

¹ In the *Fortnightly Review* (April 1908) Mr. J. L. Williams gives an account of the failure of a socialistic community founded under the most favourable auspices by Mr. Albert K. Owen in Mexico.

century. The workhouse was managed with a view to making the inmates comfortable, however much the rates might rise. "Good English ox beef" was supplied, and the best new-laid eggs and beer. And though the amount of food allowed at meals was not excessive, the inmates lived better than many unskilled labourers when in full work are able to do whether in Poplar or anywhere else. Such at any rate was the opinion of the secretary of the Charity Organisation Society who appeared as a witness when an inquiry was held into the administration of the Poor Law in Poplar. Those who ruled the roost were men of impossible theories with no ballast to steady them. They granted outdoor relief in random fashion, often over-riding the judgment of their relieving officers, who pointed out that there was no good claim. Though some of the guardians highly disapproved of such methods, the majority, as one witness put it, took the "socialistic and labour point of view." Even men, who owned that they had thrown up jobs because they were not so easy or so well paid as they wished (so the same witness stated), obtained relief. Often no questions at all were asked of the applicants, and the inevitable result followed that many idle ne'er-do-weels gravitated towards Poplar as a haven of rest where food and clothing could be had for the asking. There seems to have been but little discipline in the workhouse. It was known to the inmates that the master frequently took the guardians to the beer cellar and regaled them with beer, and, of course, under such circumstances discipline could not be maintained. We are not surprised to hear that the contracts hardly bear investigation. They were given to the neighbouring tradesmen, and tenders that were by no means the lowest were often accepted. The farm colony in

connection with the workhouse was managed in the most lavish style. As a rule there were over a hundred men there, and they were supposed to work forty-eight hours a week. But, according to a police superintendent who had come into contact with a good many of these so-called labourers professionally, eight or ten men ought to have been enough to work the farm. Farms of about the same size in the neighbourhood, he said, employed no more than that. The diet was far better than an ordinary Essex labourer even hopes for—every day roast beef and potatoes. Then there was Mazawattee tea at two and fourpence a pound, the best Cheddar cheese at eightpence halfpenny, Valencia raisins and so forth. The colonists had every now and then forty-eight hours' leave to go and look for work, on which occasions their fares were paid by the guardians, sixty pounds in all being spent in this way. The members of this "labour colony" were certainly well qualified to figure in processions of the unemployed, and we are not surprised to hear that they were brought up to London for that purpose.

Altogether the history of the Poplar Workhouse under a semi-socialistic regime is squalid and nauseating. No doubt, some of the guardians felt genuine sympathy for the poor, but their reckless folly, to use no stronger term, is what most strikes one in reading the report of the Local Government Board Inquiry. The ratepayers were mercilessly bled. There was no sympathy for them, but only for the unemployed workmen whether deserving or undeserving.

Of course, this is not socialism at its best. Then, "Why say anything about it?" some socialist critics will say. But I have also taken two examples

of socialism at its best as far as I can estimate its possibilities. The enthusiasm of Louis Blanc and Robert Owen was pure and uncontaminated. But to form a true idea of what socialism is and may be, we must see it not only at its best but at its worst. The fact is that it is nearly always seen at its worst. It makes excessive demands on our limited supply of altruism, and, as everyone knows, "*Corruptio optimi fit pessima.*"

Beyond these three examples of the failure of socialism I propose to give no more.¹ What really condemns socialism as a working system is that socialists themselves are able to quote no instance of its success, though experiments by the hundred must have been tried; it fails to produce wealth. Queen Elizabeth's Poor Law laid it down that work was to be found for the willing, and is it to be doubted that in hundreds of parishes an effort at one time or another was made to put this into practice, and that in some cases the Poor Law authorities were good administrators, who would have succeeded if success had been possible? But what record have we of any successes? On the contrary, we hear that it was found impossible to carry out this part of the law. Admirable in intention, it reduced those to whom its administration was entrusted to their wits' end. As far as expense goes it seems not to make very much difference whether the pauper works or not, since his labour produces so little. As a rule he is a slack and inefficient worker, and, besides this, public officials are not good organisers of labour. It does not do to fling to the winds the

¹ If the reader wishes for more he can refer to *The History of Trade Unions*, p. 207, by Sidney and Beatrice Webb. Numberless small co-operative undertakings were started by workmen in 1848—by engineers, cabinetmakers, tailors, etc. They all failed.

principle of competition. History, if I read it right, makes it plain, that on competition, either between individuals or between small groups, the progress of the human race in civilisation has from the first till now depended.

CHAPTER XXV

THE OLD SOCIALISM AND THE NEW

THE SPRINGS OF ACTION UNDER THE OLD SOCIALISM—DESTRUCTIVE CHARACTER OF SOCIALISM—HUMAN NATURE—MOTIVE FOR WORK UNDER THE NEW SOCIALISM—COMPETITION NOT DEGRADING—ALTRUISTIC MOTIVES—POSSIBLE RANGE OF SYMPATHY—INDIVIDUALISM SO-CALLED—SOCIALISTS AND THE FAMILY—ISOLATED UNITS—STATISTICS OF SUICIDE—IMPOTENCE OF THE OMNIPOTENT STATE—EDUCATION—RELIGION—PRIMITIVE RELIGION—SUMMARY

THE old socialism, which took shape in the tribe or communal village, made its appeal, as the new socialism does not, to the strongest instincts in human nature. A socialist then was a socialist in self-defence. Alone he could not face the world, and so he joined a small community in which competitive industry was a thing unknown, and which fought as a solid unit against rival tribes or villages or oppressive kings or princes. Imperious motives stimulated him to activity. He did his duty by his tribe or village, since with its welfare his own was bound up, and indeed, if he shirked, he was likely to be ejected. All had to fight for the community—so far socialism was thorough—but as far as ordinary labour was concerned the socialistic principle was never carried out in its completeness. Though land belonged to the community, yet for the year or for a longer period each family enjoyed its portion in

usufruct. Though commodities were few, yet they were held as family property. A family owned, for example, oxen, ploughs, and weapons, and of course clothes and food. And thus, though there was no competitive industry, yet there was nothing approaching to full-blown socialism. There was, of course, a good deal of co-operative industry, in road making, for example, in fencing the village, in draining ; but what bound a man to the community was the near neighbourhood of common enemies. The village was his country, and his patriotism bred in him the virtue of loyalty and truthfulness. To lie to another member of the small community was sheer treason. He kept his craft and his trickery for use against public enemies. Something drove him, instead of asking, "What is my own interest?" to ask, "What is good for my family or for the community?" And this something is what we call the voice of conscience. A man's self was expanded till it included all his family or all his tribe or all his village, and conscience was the voice of the larger self. Unselfishness was a larger and better selfishness born of solidarity of interest and completeness of sympathy. A man was able to identify himself with the community so thoroughly that the egoism of the individual pined and dwindled and gave place to loyalty and self-sacrifice.

What has the new socialism to set up in comparison with all this? It is true that, like the old, it owes its origin to hostility and oppression. If competitive industry did not oppress the unsuccessful, there would be no socialists. But the new socialism could succeed in establishing itself only by removing its own *raison d'être*. It must first kill competition and capitalism. After that what need of socialism? The socialist

straightway becomes an individualist, and remains one unless competition pinches him once more. The old socialism, on the contrary, was gifted with an unfailing vitality. If one rival, in the shape of tribe or village, had been reduced to impotence, another rival might very speedily arise, and thus the necessity for combination remained. And for men living thus in little communities, co-operative industry, and, where not co-operative, still non-competitive industry, was the best working system, and therefore it held its ground. The new socialism, as I have shown, thrives as a theory in an atmosphere of struggle and competition, it wrecks itself when an attempt is made to put it into practice.

The new socialism is essentially destructive. A wise missionary when he preaches a new faith tries to find out much that is good in the existing beliefs of those to whom he preaches. Christianity left a good deal of the old Roman polytheism almost as it found it, merely changing the object towards which the adoration of the worshippers was directed.

“Ask the Church

Why she was wont to turn each Venus here—
 Poor Rome perversely lingered round, despite
 Instruction, for the sake of purblind love—
 Into Madonna's shape, and waste no whit
 Of aught so rare on earth as gratitude!”

But socialism preaches against what we have long considered our virtues rather than against our vices. Thrift becomes an abomination. Self-help is a by-word. Family life is narrow isolation. Religion—so at least the German socialists tell us: their English sympathisers are not unanimous on the question—is no longer wanted. Marriage, as many, but not all, socialists maintain, is an institution that has had its

day and ought to be allowed to die. Socialism is, therefore, not only an economic system, but, even in the form in which it is preached by its less extreme advocates, carries with it implications which fall foul of some of the most cherished convictions of the ordinary man. Of course the socialistic working man has no notion what the proposed system must inevitably bring with it. He thinks merely of the State as the universal benevolent employer. Everybody is to be well off. Competition, want of work, and over-hard work are to be banished. Otherwise things are to remain as they are. A delightfully simple faith!

The old socialism took human nature as it was, the bad and the good of it, and built itself up on ineradicable instincts. The new socialism depends for its realisation on a wrong theory of human nature. We are told that as soon as capitalism and competition are at an end, men will be different creatures and that their vilest qualities (to say nothing of some strong instincts that are not vile) will be things of the past. Human nature, in fact, is almost purely good, but capitalism has corrupted and degraded it. Other theorists, not quite so wild, tell us that men must be first socialised and that then socialism will be a practical working system. It is a fallacy, they say, that human nature remains the same, it is continually changing. And in this, oddly enough, they have the support of the great champion of individualism, Herbert Spencer. He saw how different men are now in their habits from what they were some centuries—or even some scores of years—ago; how instead of settling their quarrels by pistol or sword, they lay them before judge or magistrate; how drunkenness is coming to be considered an utter degradation; in short, that many barbarous practices have come to be recognised as barbarous and are

dying out—and he concluded that a fundamental change had come over human nature. It is very strange that so clear-headed a man should have taken so utterly wrong a view. The fact is, of course, beyond dispute that many degrading practices once tolerated are now stigmatised as degrading, but this does not show any fundamental change in human nature. What has changed is the atmosphere in which children grow up. From their earliest years they have it impressed upon them that certain things are vile and that other things are good, and the ideas thus inculcated come to have the strength of inborn instincts. But human nature in the main is what it was hundreds of years ago. It is true that we have good ground for believing that there is a very slow improvement, since in every generation many are weeded out through want of steadiness, want of character. But this process is a very slow one, and if men are to be brought to lead better lives we must trust mainly to an improvement in their environment. We must bring it about from their earliest days that they find themselves in a better atmosphere, that their nobler tendencies, and not their lower, are fostered and strengthened. But it does not do to appeal to the highest motives only, to condemn motives such as ambition, which though not the loftiest, are part of a man's necessary outfit for life. The old socialism supplied a man with a motive for hard work, the new socialism offers one that appeals very feebly to the generality, being altogether over their heads, and has power to move only a few exceptionally noble natures.

What is to be the stimulus to work under the proposed system? The struggle for existence that throughout human history has operated most effectively against sloth is to be put an end to as degrading and

humiliating. What new motive power is to take its place? Some socialists cherish the idea that men will find delight in the work which they have to do and that this will be motive sufficient. Others say that idleness will be prevented by stern discipline. One of the apostles of socialism writes: "Socialists have to inculcate that spirit which will give offenders against the State short shrift and the nearest lamp-post. Every citizen must learn to say with Louis XIV., 'L'état c'est moi.'"¹ Work for delight in the work, or work for fear of being strung up on the nearest lamp-post! These are two hardly reconcilable systems. Mr. Sidney Webb uses milder but very suggestive language: "To suppose that the industrial affairs of a complicated industrial state can be run without strict subordination and discipline, without obedience to orders and without definite allowances for maintenance, is to dream not of socialism but of anarchism."² With regard to the payment of work, the proposals differ almost as widely. The pay, say some, will be the same for all. Others propose that the more disagreeable work should be the more highly paid, and thus a scavenger would be more highly remunerated than a prime minister or a poet. Others propose that the higher work should be better paid; others again that, the more agreeable the work, the longer should be the hours of labour. But, of course, all thorough-going socialists agree that payment should only provide the means of maintenance with, possibly, in some cases a few luxuries thrown in. The postponement of enjoyment, the accumulation of goods, except in a very small way, is not contemplated, since obviously it tends towards the accursed thing, capitalism. To return to the motive

¹ Professor Karl Pearson in the *Ethic of Free-thought*, p. 324.

² Fabian Tracts, No. 51, p. 18.

for work, Mr. William Morris, being an artist and having a profound belief in the goodness of all human beings, when not corrupted by capitalism, holds that ordinary men will work for mere delight in the work they have to do, as the true artist does. How glorious if it only were so ! In the tomb of an old Egyptian was found this scroll, " Love for the work he has to do brings a man nearer to the gods." Profoundly true and beautifully expressed ! And when a man finds nothing but boredom and misery in his work and depends entirely on his leisure time for his pleasures, he is much to be pitied. Rudyard Kipling gives a beautiful picture of heaven :

" And only the Master shall praise us, and only the Master shall blame,
And no one shall work for money, and no one shall work for fame ;
But each for the joy of the working, and each in his separate star,
Shall draw the thing as he sees it for the God of Things as they are."

Very noble lines, expressing the ideal which every man should set before himself. But it is an ideal, a counsel of perfection, that probably no man in this work-a-day life attains to. Some kinds of work are delightful, *e.g.* writing a poem (which at the time of writing you feel to be worth something, however poor it may turn out to be), painting a picture, composing music, originating an idea, thinking out an invention, doing well any work that requires skill or the management of men. Work of this kind gives pleasure, but to all of us when we work there comes a time when it ceases to be a pleasure, when we look impatiently at our watches, and yet for good reasons, perhaps, we go on. The thing has got to be done. A lower motive

carries us through when the higher motive fails, and, indeed, it does not do to trust to the highest motives only. We must have a supply of dull dogged perseverance to fall back upon. And for the idlers, Mr. Sidney Webb says with good reason, discipline would be needed. But it is hard enough to discipline those who fall into pauperism under our present social order. How if these were multiplied tenfold through the withdrawal of the ordinary incentives to industry?

Occasionally one meets a socialist who frankly owns that if the State were the only employer, work would be done rather more slackly. Absence of competition would do away with the tension under which we live now. But he will probably go on to say that competition is degrading, and it is worth making some sacrifice to be rid of it altogether. Here we must join issue. Competition is degrading only when the methods used are degrading. The man who competes with others and scrupulously refrains from sharp practice of every kind ennobles his own character. He degrades it only if he lapses into unfair methods. Boys are continually competing with one another at school, and when you have seen the system at work, you cannot doubt that it is a really educative thing to be eager to win and yet to take no unfair advantage of an opponent. The trader, who trusts to the soundness of his wares rather than to the deception of the public or to the loudness of his advertisements, is probably a better character than he would be if he did not compete at all. Moreover the combative instinct is deeply implanted in human nature and cannot be up-rooted. Hague Conferences may do much to make war less barbarous, they cannot put a stop to war. To return to trade and business, it may be possible, and it is certainly

desirable, slowly to raise the minimum standard of honesty that is demanded in trade, but we cannot abolish competition without depriving the average man of his most powerful motive for industry. Moreover competition cannot possibly make men mean, it can only bring out their meanness. Is it possible to doubt that, the meanness being there, it will under any other social system, find an outlet? We all want to abolish the mean man but we don't all of us see our way to do it.

Let us consider now how far we can depend on altruistic motives. Take the case of a doctor who is looking out for a practice. As each chance presents itself he asks, "What income shall I be able to make, and what sort of neighbourhood is it?" As yet the neighbourhood is an abstraction to him, there is nothing to awaken human sympathy, and so altruistic motives do not come in at all. But when once he has settled in a particular place, his liking for individuals or for families with whom he is becoming intimate will probably lead him to do a great deal of work for which he feels sure he will receive no remuneration in the form of money. Nevertheless, had he altruistic motives alone to stimulate him, we can hardly believe that he would be equal to the great amount of work that a doctor with a large practice manages to get through. We must have some imperious lower motive to help us in our commonplace everyday work. To eat one's dinner for the good of others, so that they may profit by our good health and geniality, would be noble and praiseworthy. But a man who trusted to this high principle alone, unfortified by bodily appetite, would almost certainly fail in his duty so often that he would before long fall into weak health.

It is no use trying to be a purely altruistic being ;

The people who demand this of men and women show an astonishing ignorance of human nature. For a man can do no voluntary action which does not in some way gratify his own self. When he attains to what is popularly called unselfishness, he is still ministering to the cravings of his own self. But his self is expanded so that more than his own ego is included. He manages to identify his own interests with those of his family, his friends, his neighbours, and thus he is able to work for their good, for he feels that it is his own no less than theirs. We admire the people whose sympathy is so cordial and so complete that they find keen pleasure in doing kindnesses to others. But, as I have already pointed out, there are limits both to the range and to the power of sympathy. A man, who can make sympathy for others his dominant motive all day and every day, and by the help of that motive can work with energy, is one in a million or in many millions. Even when a man imagines he is devoting his life to some great philanthropic object, such as the abolition of slavery, it is not altruism alone that carries him through the years of weary labour. It is altruism reinforced by combativeness. He is fighting against difficulties, against opponents.

The doctor whom I have just depicted as being moved strongly by sympathy as soon as he was brought into personal contact with sufferers, is typical of average humanity, or humanity somewhat above the average. We can sympathise warmly with a small circle of friends. When the radius is enlarged our sympathies grow weaker and weaker. We cannot identify our interests with those of persons who are strangers to us. Our sympathies lose in intensity in proportion as they are stretched. If we hear of a number of deaths

from a railway accident or an inundation, we are relieved when we learn that no friend of our own has lost his life. Or we thank Heaven that no English life has been sacrificed. If the victims are, say, only Chinamen we are by no means deeply touched. What is wanted, therefore, to evoke a man's altruism is at the outset some small association with which he may absolutely identify his own interests. And this is found in the family. It is no use to talk of the narrowness of this. We have to do, not with angels or imaginary human beings, but actual men, women and children. It would be grand, no doubt, if we could be so patriotic that our love of country could stimulate us to put energy and zeal into our ordinary and, possibly, not over-interesting work. Unfortunately patriotism does not stir a man to put forth his full power unless the enemy is at the gate or likely to appear there. The family, on the other hand, has never for thousands of years failed to lift men out of pure unmitigated individualism. Since it first took definite shape ages back, the family has not at any time been a weakly institution. And what we call individualism is the indispensable condition of its existence. It pleases some socialists now to speak of the family as having had its day, but there is still much life in it. It is because the children they bring into the world will be their own that women are ready to brave the pain and danger of child-bearing, and that men are ready to make light of long years of toil. And among men and women the bond of brotherhood and sisterhood is still strong, though not as strong as in ancient times. A man can through sympathy expand his personal self till his family is included. But few men can identify their interest with that of the State except when there is imminent danger

threatening from without, so that the common ruin is likely to engulf the individual.

Our present so-called individualism is a form of socialism, and socialism in a form that the experience of ages has proved to be a sound working one. Such socialism does not strangle our individualism: our individualism expands naturally into the socialism of family life. But what of theoretic socialism? Will that give us the splendidly elastic combination that we have under our present system—freedom for the individual, who, nevertheless, is not a helpless isolated unit? On the contrary, it seems likely to work out as an uncompromising individualism. Let us imagine that collectivism is firmly established and proves a workable system of wealth production—a bold assumption: still it is possible to imagine anything. But there are other things to think of besides the production of wealth. Every man, and still more every child, must be a member of some sort of association, since he cannot live a life of complete isolation, and such an association he finds in the family. But socialism is necessarily the enemy of the family, since it is mainly for his children that a man saves, that he puts by capital. A man's children were in ancient times his savings, his old age pension. During his maturity he put forth all his energy to strengthen the position of his family and so he was not left friendless in his old age. The same system is still at work among a large proportion of civilised men, though modified and weakened. The young and vigorous still recognise that their parents in their old age have a claim upon them. But in many cases the aged have no need of support, since they have a pension or an income from invested money. The parish saves them from starvation. Nevertheless

there remains as the motive for work and self-denial the wish that the children may have a good start in the world. It often acts even more strongly than the more selfish motive in ancient times. For education makes greater and greater demands, and this means that the time during which the young can do no work to support themselves is longer than formerly. Since for many years their children will be helpless, and, when no longer helpless, yet in need of education, fathers, of course, wish to save for their good, and so thrift and capitalism are inevitable. They are the result of ineradicable human tendencies.

There must, therefore, be internecine war between socialism and the family. Not that all socialists hold as part of their theory that the family must be destroyed. On the contrary, some are beginning to see what ruinous consequences would follow, and so, instead of destroying, they propose to remodel it, and put it on a new basis. After picturing the quarrels and insincerities of the family life of the present day—it is noticeable that socialists in describing existing society always takes its failures as its types—after picturing this, Mr. H. G. Wells goes on to sketch a new system. "The State will pay for children born legitimately in the marriage it will sanction. A woman with healthy and successful offspring will draw a wage for each of them from the State so long as they go on well."¹ So the State acting through its officials will decide who may marry and who may not. This is very difficult, if not impossible, to carry out. Of course under the circumstances there would be a great many children born out of wedlock, and each of these illegitimate births would be evidence of a crime. Who would be

¹ *Socialism and the Family.*

punished? It might be difficult to convict the father, and what punishment could be inflicted on the mother or the children? It would inevitably end in a system very similar to that which existed under the old Poor Law, which gave relief to women, married or unmarried, according to the number of their children. Even in cases where Mr. Wells' system worked as he intends, where a married woman drew her allowance for her children, family life would be a poor thing compared with what it now is. The family is a small society of persons who cling together and help each other in all troubles. The filial affection of the children grows as they gradually come to realise how much their parents have done for them. But if the State were to take upon itself the ultimate responsibility in all family difficulties, the institution would be robbed of the self-dependence which is the very life of it.

Socialism is a great pulveriser, a steam roller that would flatten out all institutions and leave them lifeless. Let those who doubt this study the writings of Professor Karl Pearson,¹ who has the merit of following out the theory to its logical conclusion. If socialism were an actuality the State would deal directly with each individual. Every man, woman and child must look to it for salvation, as the Israelites when the plague raged could be saved only by looking up at the brazen serpent. Every woman, therefore, must be independent, which means that she must work to earn her maintenance, whereas her children, if she has any, will be supported by the State. What would become, then, of marriage? It would, no doubt, long continue, but existing in an uncongenial atmosphere, it would be but a sickly plant and would

¹ See his *Ethic of Free-thought*, especially chap. xv.

tend to disappear. This would be the inevitable result of socialism, though some of its champions may not realise it. For it cannot be too much insisted on that what we have to consider is not the fanciful theories of this or that socialist, but the inevitable implications of their cardinal economic doctrine. That would, beyond all dispute, speedily undermine the institution of the family.

Let us try to imagine what would ensue, were socialism once established. There would be the State, a monster community, and millions of individuals, not grouped in any small associations. In fact the abolition of the family would result in individualism absolute and complete, a system under which it is impossible for human beings to live. I believe that if the State were to become the sole employer and undertake the manufacture and distribution of commodities, it would soon be clear that the task it had undertaken was altogether beyond its powers. But such collectivism is not so absolute an impossibility as life itself would be in the environment that full-blown collectivism would bring with it. Each human being would be an isolated unit, since the society to which he would belong—the community—would be so big that there would be no social bond between its various members. Friendships would, of course, arise, but that would be a very ineffective mitigation of individualism, since we have to consider the needs of children. A human being, if he or she is to come to any good, must be born a member of some association that will care for the child's welfare. The family, the tribe, the communal village—each has the advantage of being small, so that the individual is able to identify the interest of the community with his own. The nation,

when not divided up into small groups, would be an ocean in which the individual would be lost. Even a large school when not distributed in separate houses is found to be unworkable, since the individual is only an uncared for atom.

The influence of an institution on the normal man can be estimated to a great extent by the effect it has on the abnormal. If we wish to know what helps the average man to maintain his interest in life, to set about his work in a manly way and face all the ills that flesh is heir to, we may with advantage consult the statistics of suicide. It is well known that suicide has been increasing in frequency, but it is not so well known that most of those who are cowardly enough to make away with themselves are men who live as individuals without strong social ties and responsibilities. There are very few suicides among married men who have children. They are nearly doubly as frequent among married men who are childless. Among bachelors of forty-five suicide is more frequent than among childless married men, while bachelors after sixty are still more apt to lose their hold upon life, since they have at that age, many of them, lost their illusions and failed in their ambitions. Women comparatively seldom commit suicide. But statistics in their case also bring out the same principle. Suicide is extremely rare among married women with children, the proportion among childless married women is nearly three times as great. It is more common among spinsters of 60 whose hopes have faded than spinsters of 42, who still have some flicker of ambition. I learn these highly significant facts from Mr. Chatterton Hill's *Heredity and Selection in Sociology*. It is true that the figures he gives only refer to France, but it is

more than probable that they hold true in other countries also.

RATE OF SUICIDE PER MILLION INHABITANTS OF FRANCE, 1887-91

Married men with children . . .	336
„ „ without „ . . .	644
Bachelors of 45 . . .	975
„ „ 60 . . .	1504
Widowers with children . . .	937
„ without „ . . .	1258
Married women with children . . .	79
„ „ without „ . . .	221
Spinsters of 42 . . .	150
„ „ 60 . . .	196
Widows with children . . .	186
„ without „ . . .	322

What is the cause at work? What drives a man to suicide? Very often, it would seem, it is not misery, but want of interest in life. How else can we account for the fact that the two years of the Franco-Prussian war show a low rate of suicide in France as compared with 1869? If the excitement of a national crisis supplied the man who was weary of life with a motive for living on, how much more effectually may urgent responsibilities work upon him? The married man with a large family often has trouble enough and to spare, but he has also a motive to make him face trouble bravely. The bachelor, on the other hand, has, as a rule, far fewer anxieties. What is lacking in his case is interest in life, unless indeed he is fortunate enough to be ambitious, so that he is able to set himself some task which he is determined to accomplish.

All these startling facts with regard to suicide bring out the virtue of the family system and the weakness of the socialism with which we are threatened.

As soon as the State, the universal employer, had crushed the family out of existence, men and women and even children, except so far as they were mothered by State officials, would, let me say it once more, be mere individuals. And thus socialism so called would work out as individualism such as has never existed in the world before. The State is too big to inspire a man with a motive for going through his everyday work. Only at some national crisis can he identify his own interest with that of his country so that he is ready to sacrifice his life for it. What the State can do for him is narrowly limited. It can, of course, protect his life, it might feed him and clothe him, though not well. But it cannot supply him with what is no less important than food, with a motive for living and enduring and working. All socialists assume that the State can provide food, clothing and fuel, and some of them assume that a man requires nothing more. But if we believe that man cannot live by bread alone, the theoretic socialism breaks down hopelessly. It proposes to introduce an elaborate organisation, in the network of which every citizen would be entangled, but it supplies the individual with no motive for living and working. The old socialism appealed to the most powerful springs of action. It appealed to the instinct of self-preservation, to loyalty, patriotism, love of struggle, of competition. In spite of this, the communal village not unfrequently found it necessary to expel individuals, to expel men who were incapable of loyalty and courage. The new socialism seems to hold that no such ejections will be necessary under its enlightened régime. But one socialist whom I have already quoted has no illusions on this subject. He talks of "short shrift" and "the nearest lamp-

post." Unpleasant as this picture is—the picture of the lamp-posts and the dangling victims of the omnipotent State—yet it serves to remind us of an undeniable truth. If you put an end to the struggle for existence—and its abolition is the very essence of the socialist's theory—you must have some substitute for it. And this substitute, to be effective, would have to be an iron and merciless discipline, far more cruel and probably far more unjust than the struggle for existence which horrifies so many tender-hearted people.

Let us pass on from these terrible visions. I feel sure that the English people intend that street lamps should be used for the lighting of towns and not for the execution of recalcitrant, though perhaps amiable, persons. I feel sure, too, that socialism will not succeed in abolishing the institution of the family. But it may weaken where it cannot destroy. If socialism would only begin by trying to introduce its cardinal economic doctrine—the manufacture and distribution of commodities by the State alone—all would be well, since its absolute failure would soon drive us back to the only possible alternative. Unfortunately the subsidiary proposals of socialism are put in the fore-front; and notably this is the case with education.

Education is eventually to be taken altogether out of private hands and transferred to the State or counties or municipalities. Now, we are bound to admit that our primary State-controlled schools have great merits, that the teachers are most of them full of zeal, that the teaching is good of its kind and that in many cases the discipline is excellent. But can it be denied that the tendency is to dull uniformity? In primitive times the education of a child went on in the family, each family

was its own school and consequently there were endless experiments, involving, no doubt, a multitude of failures and still more very qualified successes, but also successes conspicuous and undeniable. The modern State, as far as its sphere of activity extends, lays a crushing hand on all experimenters. It is true that many socialists have vehemently protested against the notion that socialism means uniformity. Some of them, for instance Mr. William Morris, are all for freedom. They wish each man to have a definite bent, to choose what work he will do for the State, and in his leisure time, which is to be ample, he is to develop his own tastes and hobbies. This sounds admirable, but unfortunately such protests count for nothing. When you have sent a stone rolling down hill you may shout to it what directions you like as to what particular line it is to follow, but it makes no difference. The first principle of the socialist is that the State is to be the universal employer. That being so, we must take no notice of good intentions, but see what logically follows from it. The whole question turns on this, whether under the economic system proposed it would be possible to maintain a private school or educational establishment of any kind. Would not all schools, colleges, universities be the mere creatures of the State? For since all men must work for the State, you must equip your private institution, if you start one, with a staff who work gratis and only in their leisure time—which means that the thing would have to be given up. There would, therefore, be only so much diversity in education as the State might allow, and the State would mean a bureaucracy, for power tends to get into the hands of permanent officials. No doubt, it would be tempered by popular assemblies. But what would result? After years of agitation,

there would probably be a change made in all the primary, or all the secondary schools. This is not freedom. What we want is a great variety of system, a variety of schools and colleges among which parents can choose the one which they think will suit their sons or daughters best. The schools that are controlled by public bodies can hardly be said to have the needful variety. And it must be remembered that uniformity has almost certainly not yet attained to its dullest and deadliest. Nearly all of the higher educational authorities appointed by the State, including the inspectors, have been educated in schools and at universities over which it has no jurisdiction. They have, therefore, had a bringing up calculated to enlarge their horizon and prevent their officialism from entirely getting the better of them. Things would be very different if the inspectors and all the authorities had been turned out by one mill and that the mill which it was their duty to keep in order. We all know the argument, "It was this system which produced us."

No doubt it may be urged that if the State did not undertake primary education there would be for many children no education at all. That may be granted. But private primary schools should be in every way encouraged. The claim to a government grant should depend on numbers and efficiency, and as to the subjects taught and as to methods, the greatest freedom should be allowed. This would lead to variety and elasticity and would go some way towards getting over the religious difficulty.

To show of what errors the State is capable in the matter of education, it is only necessary to point out the absurdity of herding mere infants together in large school-rooms and expecting an over-worked school-mistress to instruct them. Till the age of seven at any rate

there should be no schooling. Before that age a child is better at home, where he may learn to observe, to obey, to be kind and helpful.¹ An objection that will be made to this is that there are thousands of homes from which it is well to remove children at as early an age as possible. But their removal only makes the home worse. For what is it that keeps a man to steady habits and enables him to resist the temptation to drink or bet? Is it not that there are others dependent on him? And is it not on record that a poor woman has been heard to thank Heaven that free meals for school children did not come in earlier, as they would have caused her weak-minded better-half to go to the bad altogether? If the State makes itself responsible for the children, it necessarily demoralises a large proportion of the parents. And we cannot expect a moral self-respecting generation to follow a drunken and irresponsible one.

The only sound principle is to make the homes better. Insist on parental responsibility. That is the principle on which the *Society for the Prevention of Cruelty to Children* works and with excellent results. If the father and mother are so degraded that their children must be taken from them—in a few cases, no doubt, this is the best plan—at least let the law see that the parents pay for their support. Following its frequent practice of dealing with symptoms and not with causes, Parliament has allowed educational authorities to supply food to school children, and, in cases where the educational authorities are no wiser than Parliament, the system is already in operation. The parents are to pay if they have the means. The folly of all this must be apparent to anyone who has

¹ See on this subject Dr. Saleeby's *Individualism and Collectivism*, p. 25.

any knowledge of human nature. You cannot divide parents into two definite classes, those who have the means to feed their children and those who have not. By supplying food gratis you sap the energy of large numbers. They cease to be able to feed their children because the County Council has destroyed their main motive for steady work. Human nature is not too strong even when braced by responsibility. Why make laws that will make weakness weaker?

Undeniably there are arguments in favour of free meals that appeal strongly to pity. The home dinner is so miserable in many cases, and a large number can be fed at a much cheaper rate than four or five. All this is true, and yet a really humane man ought to refuse to listen to it. The younger a human being is, the more important is an ample supply of wholesome food to him. The weak health of the children of the very poor is due far more to deficient nourishment and an environment bad in every way before the school age, early as the school age is, than to want of food after they begin to go to school. Now, no one, except those whom the common sense man regards as wild fanatics, proposes that the State or the County Council should undertake the feeding of children as soon as they can be taken from the mother. For if so, why not go further and feed the mother also, since the child cannot be healthy unless the mother is healthy? And if the mother is to be fed by the State, how avoid feeding the father who lives with her? The only way to raise people from degradation is to work upon character. The family dinner, no doubt, is often miserably bad. And yet a "dinner of herbs where love is" may be better than a mere barrack dinner. And the State is quite incapable of supplying even a good barrack

dinner to all the children of the country. For by making the attempt it would destroy men's motive for industry, and by thus demoralising the citizens it would destroy its own wealth.

As far as education is concerned, no doubt the home training that was sufficient in primitive times requires under modern conditions to be very largely supplemented. But to begin by destroying the basis because a superstructure is needed is a mad style of architecture.

The question of education leads on to another question and a very difficult one. It is impossible to compare the old socialism and the new without bringing in the question of religion. The institution of the family in ancient days had all the power of religion to strengthen it, and families were the units of which small communities were made up. Thus the old socialism looked to religion as its very foundation; the new socialism seems eager to undermine it and be rid of it.

It cannot be denied that all or almost all out-and-out socialists have a dislike or at any rate a contempt for religion. In not a few the dislike amounts to absolute hatred. The leading socialist writers in Germany speak of it as an enemy and an abomination, and some English socialists denounce it in language no less strong.¹ Socialism is, in fact, in the present day a materialistic creed. Those who hold it hope to make men happy by abolishing poverty. While the Christian tries to work mainly upon the characters of men, most socialists hold that the thing is to bring it about that men have plenty of food, clothing and fuel, and trust that human vices will disappear when

¹ A number of quotations are given in *The Case against Socialism* (George Allen). See also *The Ethic of Free-thought* by Karl Pearson.

capitalism disappears, and, with it, both poverty and excessive wealth.

But is the alliance between socialism and materialism a merely temporary phenomenon? Is it merely an emphasising of the view that poverty is a crushing evil and that it must be removed before we can devote our energies to higher things? And is Christianity an object of hatred simply because it has become associated with capitalism? There is no doubt that the ministers of religion are drawn from the capitalist classes—from families which, whether rich or comparatively poor, count saving and thrift among the virtues. And, notably, the clergymen of the Church of England depend very largely on private income. So far from being supported by the Church on the principle that the labourer is worthy of his hire, they often use their private means to support it. And this we are accustomed, when a case comes to our notice, to look upon as a proof of zeal and generosity, at any rate as a thing to be commended. But to the socialist it only proves that the Church is associated with the accursed thing, Capitalism. In fact socialism being anti-capitalist is bound to be anti-ecclesiastical. But there are Christian socialists and at least one bishop has declared himself a convert. Mr. Sidney Webb, who, of course, must know, assures us that the bishops as a body, foreseeing the advent of socialism, “believe and tremble.”¹ The existence of Christian socialists, however small a minority they may form in the socialist camp, must make us pause before we decide that the movement is in its essence anti-religious, though it may be that their theories are only the expression of unadulterated philanthropy. They sympathise so deeply and sincerely with human

¹ *Fabian Essays.*

misery that they cannot but look for a remedy, and the remedy that they catch at for want of a better is socialism. And though we regard the remedy as a mere quack thing, that will introduce far worse evils than the disease it pretends to cure, yet we must do justice to the enthusiasm of humanity from which the idea springs. Divesting ourselves of prejudice, we must consider the question whether the essential doctrines of socialism are opposed to the essence of religion. But though we strip off what in either case seems to be mere accidental accretions, we must recognise the fact that the basic doctrine of socialism has inevitable implications. If you revolutionise the existing economic system, other changes must follow. Now the essence of socialism is that the State should be the sole producer and distributor, and that there should be no great accumulations of private property. This, its essential doctrine, has to do only with economics and there is nothing materialistic or anti-religious about it. But we must wait for the implications before making up our minds. The desire to have property of their own is innate in many human beings. It must be so, for our present economic system which has taken root so firmly and lasted so long, must, obviously, be based on human instincts. The State would, therefore, have to repress a tendency that would show itself very strongly in a great many of the citizens. It would strive to crush any organised association that might give expression to the discontent of this large percentage. And beyond a doubt an organised Church would in this way draw upon itself the hostility of the State. In fact the State must be omnipotent, and the citizens so many unorganised atoms. It could not tolerate any association that might become an

imperium in imperio. In fact, socialism, coming into conflict, as it does, with strong ineradicable instincts, must be tyrannical or it is lost. The president of the republic would see in an Archbishop of Canterbury a rival to be crushed. A citizen might cherish the Christian faith in his own mind, hold it as a "pious opinion," but, were a powerful religious association to arise, the war between it and the State would be a more embittered conflict than the old struggles between the popes and our Norman and Plantagenet kings. In short, the hatred of socialism for Christianity is the hatred of a would-be despot for a rival. It is true that religion is receptive, that it takes up and absorbs into itself all high and ennobling ideas which originate in a tribe or nation when once they have proved their worth and thoroughly established themselves. But we cannot expect that religion should absorb the principle of socialism, which from its very nature is *aut Cæsar aut nullus*, and whose gold is alloyed with much base metal. It would be suicidal to do so.

Socialism is despotic, but this is not the only cause of the antagonism. Christianity is strongly individualistic. It concentrates attention on individual character, on the cardinal events of the life of the individual, among which is death, and of all that a man does during his allotted span of years nothing, it has been forcibly said, is so essentially individualistic as dying. Religion is not, as some people hold, primarily altruistic, but on the contrary intensely individualistic. For the truly religious man his own life is the thing of supreme importance. It is something entrusted to him to make the best of in this world and the next. It is true that his conduct is altruistic : he is far from being egoistic and self-centred. But his

altruism is the overflow of his individualism, and it finds its chief field in ennobling the lives, more especially of those who are most closely associated with him,—for example, as his wife and his children. To some people it seems abominable that a man should make himself the centre, should think so much of himself, of “saving his own life,” of mere “soteriology,” as it is sometimes called. When religion degenerates into that, and nothing beyond, no doubt it is a very poor thing. But the ennobling of one’s own character, building up the best one can out of the raw material that heredity has supplied—this is very different from mere soteriology. Moreover, when we talk of altruism, we must consider what are the real benefits that it is possible to confer upon others. Mere material things such as meat and drink and money are of little use, often indeed worse than useless. The only really valuable service a man can do to others is to develop whatever noble qualities they have in them. And this service he cannot do them useless he has developed these qualities in himself. He can talk about it, but his talk will not awaken any dormant nobility in others.

“The greatest gift a hero leaves his race
Is to have been a hero.”

In fact, altruism, if it is to be worth anything, must be founded upon individualism. There must first be developed a sterling personality, and then the overflow of its individualism may be of service to others. It is remarkable how all the founders of great religions have been lovers of solitude. In solitude they have rehearsed their own lives; have gone through in imagination or in reality the trials that awaited them; have made sure of their own character

before preaching to the world. And the strength thus gained has been, we can hardly doubt, in a great degree the secret of their influence.

It is the function of religion to consecrate the individual life. Primitive religion concerned itself largely with such elemental things as birth, puberty, marriage, and death. Round them centred its mysteries and its taboos. Through his religious faith a man's life became to him a solemn and sacred thing. He handed on the torch to his children, and he saw in them extensions of the life which was his sacred charge.¹

Among civilised peoples this primitive faith has grown weak, or, to put it more correctly, it does not survive in the form of a definite creed. But much of it does survive as an unformulated belief. The elemental facts of life have still a certain sanctity ; the bond that binds together the members of a family is still something sacred. Christianity, no less than primitive religion, consecrates the individual life, and, in a less degree, it consecrates the family. The socialist makes much of the so-called social organism, which, after it has gone through the necessary evolution or convulsion, is to do for the individual what the family does now, and a great deal more. But, as I have already shown, it is too big, too inhuman, to guide and steady the individual amid the shocks and strains of life. After all, it is only by vague analogy an organism. Put it to the test, as the socialist proposes, and it would prove to be only a congeries of helpless units.

And so we have been driven to the conclusion that there can be no peace between religion and socialism. The omnipotent State would see in an organised

¹ See Mr. Ernest Crawley's *Tree of Life*.

religious body a possible rival. Moreover, it is the nature of religion to centre its attention on the individual life and its natural extension, the life of the family. The social organism, as it is conceived by socialists, would destroy individuality and would destroy the family. The war between socialism and the family is therefore internecine.

This chapter may be summed up in the remark that whereas the old socialism was a sound working system that appealed to the strongest human instincts, the new socialism owes its existence as a theory to an environment which it is itself striving to revolutionise. If socialism could only destroy capitalism it would at the same time destroy itself, since its whole vitality is due to antagonism, antagonism to the oppressiveness of our existing economic system.

Socialism is a destructive force. Being what it is, it must, in order to establish itself, destroy the family, and it has nothing to put in its place. It must also destroy religion. In fact, except in the religion of economics, it would end in mere individualism, tempered only by the common worship of the deified State, a purely Utopian qualification, since the State is an idol at whose feet the large majority of men are not prepared to fall prostrate.

CHAPTER XXVI

CONCLUSION

THE CAUSES OF MISERY—THE UNEMPLOYED—REALITIES OF
SOCIALISM—RESOURCES OF INDIVIDUALISM—INTERVEN-
TION OF THE STATE—MAN'S FATE IN HIS OWN HANDS—
NEED OF COMPETITION, OF A STRUGGLE FOR EXISTENCE

“**T**HERE is much misery in the world: therefore we ought to have socialism.” This is the logic of some philanthropists who have more heart than head. But we must diagnose the diseases of the social organism before we attempt to cure them. Hippocrates is said to have introduced the method, hitherto unknown to medical science, of finding out what was the matter with a man before you dosed him with physic; and, whether in medicine or in sociology, we cannot do better than follow the example set by the great Greek physician. The socialist has his nostrum for curing all the ills of humanity. He traces human misery to economic causes. Capitalism is in his eyes the root of all evil: from capitalism arises poverty, and from poverty arises misery. He sees only the surface; to the causes that are at work beneath he does not penetrate. And yet it must be evident to anyone who knows anything about the poor, that misery and degradation where they exist—and they exist only among a minority, and that, in England, a small minority—are due to character, or rather to the want of character.

Can it be said that poverty is the ultimate cause when the working classes spend over 100 millions annually on drink? It may be argued that when we cease to daze our judgment with big figures, and make out the sum which each family on the average spends on alcohol, the amount is after all not so portentous. But we should be quite wrong to divide that part of the national drink bill for which the working classes are responsible equally among all working-class families. A very large proportion are very moderate in their habits, and there are not a few teetotallers. Excessive drinking goes on only among a minority, and it is mainly among this same minority that we find misery, squalor and degradation. The gambling mania works hand in hand with drink. Mr. Rowntree, who has investigated poverty in the city of York, comes to the conclusion that it is mainly "secondary," *i.e.* due to folly of some kind; at York, more especially to gambling.¹ Others who are free from such vices live a life that is worth living, hard though it may be, and they do not lose their self-respect. To all this a socialist might make answer, that if he and those who hold with him had the ordering of society there would be but little drinking and little gambling. There may be some truth in this, since the universal poverty that socialism would entail would leave but little surplus means to devote to vice. But such a remedy would hardly find favour with our people. If, however, it is argued that when they drink or gamble they are merely seeking a refuge from the misery to which capitalism reduces them, our answer must be that such

¹ See *Poverty*, by G. K. Seeböhm Rowntree, p. 117. According to Mr. Rowntree, those living at York in primary and secondary poverty numbered respectively 7230 and 13,072. His minimum standard of well-being is fixed very high.

a view shows ignorance of the subject under discussion. There are undeniably some men, and probably more women, who drink because they are desperate, but far more commonly the reason is that they like the sensations which alcohol brings; when wages rise, the drink bill goes up. Barbarians take a delight in intoxicating themselves, and many civilised persons have much of the barbarian still surviving in them. In fact, the tendency to alcoholism is an evil which a nation can only slowly overcome. As to gambling, the excitement of it is its charm. Men dislike hard work, and hence many have recourse to a method which offers eager delights with a promise of wealth in their train. And yet, after all, if vices only were at the root of the trouble, our social evils would be comparatively easy to deal with. But many of the poor have a failing which, though not counted a vice, is yet productive of endless misery. One who knows the English poor well, and fully appreciates their many virtues, speaks of their "fatalism and blind submission chequered by barren revolt."¹ If they only had the temperament which looks misfortune in the face as an enemy, grapples with it and wrings its neck, there would be much less unhappiness. Troubles would be fewer and lighter, and there would be the positive satisfaction in combating those that were unavoidable. As it is, instead of striving to make out why they are badly off, and to remove the cause or causes, they clamour for State assistance, and readily adopt the theory, when they hear it proclaimed, that it is the duty of Government to find work for all, while it is the duty of the individual only to stand and wait for work to be provided for him, so that, even if work does come, he is after all only a miserable spoon-fed

¹ See *From their Point of View*, by M. Loane.

person. He falls into the dull helplessness of the Hindoo, without the patience and the religious faith which lend dignity to an Oriental's surrender to misfortune. If the question be asked, "What is the main difference between Oriental and European communities?" the answer, I think, is that in a European population, especially in Northern Europe, there is a far larger proportion of men who refuse to submit to adverse circumstances, and strive to mould their environment to themselves instead of letting themselves be moulded by it. And our competitive system leads to the multiplication of such characters, whereas Oriental ways foster the submissive temperament and tend to make it the normal one.

Not long ago there was in one of our big towns a humiliating spectacle. Large numbers of unemployed called upon the Provost, who made a speech to them. Instead of telling them that, though times were bad, it was the duty of each individual to make the best of them and do his utmost to find some way out of his troubles, he took the whole responsibility on himself, and broke down with emotion because he was unable to provide them all with work. To treat unemployment in this way is to encourage the spirit of fatalism and submission which is the root of much of the evil. And obviously, to make the State the sole employer would multiply the evil a thousandfold. If the Provost of a town is at his wits' end and bursts into tears when the unemployed clamour for work, what would be the state of mind of the president of a socialistic republic when there was a scarcity of useful work, and when loud complaints were heard all over the land? For if the State were the sole manufacturer and the sole distributor, it would be of no avail to do absolutely useless work, such as the whitewashing of rooms

which do not require whitewashing—the kind of work which is often found for the unemployed. Such work is only a very thin veil for the fact that the well-to-do are giving relief to the indigent. It would be far better to throw the burden as far as possible on the existing Poor Laws, instead of paying a high rate of wages for work that is not work. To find work that is worth doing is the real difficulty. It is a thing that requires insight and enterprise, qualities that are found in but few individuals, and very seldom if ever in a government department.

Socialism, then, could not abolish poverty. Let us see what it might and probably will accomplish. Not being able to carry out its main principle by installing the State as the sole producer and distributor, it will wring from the industrious a large part of their earnings. It will feed school children who are or appear to be underfed, and perhaps all school children. It will extend the reckless system by which free medical attendance is supplied to all who condescend to ask for it, as if it were not a man's first duty to keep himself in health and fit for work. It will ceaselessly urge Government to find work for the unemployed on a larger scale than now; it will spend larger amounts on non-contributory old age pensions. But all this will only aggravate existing evils. If many men under our existing competitive system have no enterprise, but sink into sloth and fatalism, how much more will this be the case when a quack deity is set up who undertakes to cure all evils! Socialistic legislation tends to divide men into two classes, the one hard-working, independent, self-respecting, self-reforming; the other helpless, aimless, parasitic. The former class includes all genuine workers; the latter the underlying mass whom socialism encourages to devote their thoughts to sweet self-pity instead of facing all the ills of life.

But if socialism is no remedy, what can individualism do to remove our present evils? Individualism is by no means without resource. The mere putting an end to the most foolish of socialistic experiments would do much good. But there is more to be hoped for than such mitigation as this might bring. It is practically certain that the world will grow richer. Inventions follow fast upon each other's heels, and the labour class get an increasing proportion of the aggregate of wealth. Moreover, it is possible to prevent excessive accumulation of capital in the hands of a few. Government can and does in England to a considerable extent achieve this by means of death duties and the income tax, rendered mildly progressive as it is by abatements and exemptions. Some further advance in this direction may be made, though great caution is necessary.¹ Then, unearned are taxed more heavily than earned incomes, and this too must help the worker as distinguished from the owner of accumulations. I am ready to admit that the increased wealth of the world and its better distribution would not altogether remove one of the great evils of the present time, recurrent periods of depression of trade and consequent lack of employment. But if we consider the matter carefully, we shall see that these recurrent slack periods, bad as they are, are not such evils as they are often represented to be. It ought not to matter if a man is out of work for, say, five weeks in the year, if nevertheless his average wage per week is sufficient to keep him and his family in reasonable comfort. He should put by money against a possible barren time. As it is, a great many workmen belong to clubs or unions to which they look for support when they have no wages coming in, and this fact explains the levity with which strikes

¹ Written in 1908,

are sometimes begun. A strike may be for well-to-do workmen a time of play, not of distress. Professional men have their holidays, and in the same way a well-to-do artisan may look upon a time of slack trade and unemployment as so much playtime, if only it is not unduly prolonged. But, of course, those who suffer most from want of work are the unskilled labourers, who cannot, as a rule, afford to put much, if any, money by. However, as the world gets richer and wages rise, the sufferings of the unemployed unskilled workman ought to be much mitigated, if only he grows stronger in character and, when in full work, puts by some part of his earnings to provide against a time of dearth. It cannot be too strongly emphasised that relief works, so far from being a remedy, are the fertile cause of unemployment and demoralisation. All the industrious are taxed, with the result that some of them are thrown out of work for the benefit of men of whom a large proportion are thriftless and worthless. Besides this, the fluidity of labour, which is of the very essence of our economic system, is reduced, and men are encouraged to stay in places where there is no work for them. The better plan is to start some useful enterprise, if any can be devised, and employ upon it the best men you can get. When capital is profitably at work, the best of the unemployed are likely to find that then their services are wanted. And here I must repeat what is too often forgotten: it is not enough that a country should be wealthy; there must be a constant increase in wealth, at least keeping pace with the increase of population, or the numbers of the unemployed must of necessity be great. It is Germany's rapid growth in wealth that makes unemployment there a comparatively small evil. Our way of dealing with

the disease does but aggravate it, since it checks expansion.

But at the risk of wearying by iteration I must again insist that the ultimate source of our social evils is not economic. We can trace various evils, and notably poor physique and disease, very largely to poverty, but we have not then got to the root of the matter. Poverty is the cause of much evil, but it is also in many cases a result, for it has its origin in defect of character. As soon as we realise that, whatever social malady we have to deal with, it originates with human weakness or folly more than with outward circumstances, we have a principle that will guide us. If our poorer classes are inclined to pessimism and fatalism we must try to cure them by making it easy to rise. Nothing can be worse than that any class should become a caste, whether it be the very poor at the bottom or the very rich at the top. To save the lowest stratum from misery two things are essential, that there should be discipline for those who lapse into an aimless, hopeless, helpless condition, and encouragement for those who show spirit and capacity. If a man has hope he has the best thing there is in the world, and, as far as Government intervenes, it should strive to make it possible for every man to improve his position. Education, therefore,—to come to practical matters—should be cheap, and good. And at present, education must be to a large extent in Government hands, in spite of the inevitable defects of such a system.

Take now another of the greatest and most conspicuous evils in the England of to-day—the very poor physique of a large proportion of the population. Here too we can trace the malady very largely to character, but ignorance also is actively at work. It is impossible to read the advertisements of quack medi-

cines without realising that there must be hundreds of thousands or even millions of persons in the country who have no more knowledge of the laws of health than has the savage who blindly trusts his medicine man. Even those who know how health is obtainable have, many of them, not the perseverance that is necessary if they are to make use of their knowledge. Ill health among the poor is largely due to the ignorance of the parents, who do not know how to feed their children. The bad feeding and the quack medicines are not the root of the evil; but for ignorance such methods would be discarded, and but for feebleness of character ignorance would tend to disappear. And if the mass of the children born into the world were brought up in a reasonably good environment, it would be found that bad physique is often due, not to degeneracy but, to imperfect development; though, as I have said, there are undoubtedly real degenerates, and not a few.

On whatever disease of the social organism we fix our attention we find that defective character or ignorance or physical degeneration, not poverty, is the ultimate source. Though an individual may find his *milieu* too hard for him, yet in a large body of human beings there ought to be not a few men of backbone; of these a large proportion should be able to adjust themselves to their environment, or to mould it to themselves. If character, then, is the great desideratum, our sociological ideal must be a healthy individualism, since nothing kills character so much as the shifting of responsibility from the individual to the State. As far as possible a man must be left to fight his own battle.

But though it is ruinous for the State to take upon it the duties that properly fall upon the man or the

family, yet it is quite capable of bracing up, of insisting on the maintenance of a minimum standard. State-supported schools can do much to improve the worst homes, if parents who send their children to school ill-fed and ill-clothed have their shortcomings constantly pointed out to them, and learn to feel ashamed when the living evidences of the squalor of their homes are daily paraded in the schoolroom and the playground. In the worst cases the law can intervene and make parents do their duty, as it does now when the Society for the Prevention of Cruelty to Children calls attention to flagrant abuses. Thus the State can, through its representative, play the part of inspector or judge, and brace up the institution of the family. It cannot destroy it without ruining the nation. The bringing-up of children is work which government officials cannot do well: character and sympathy, not things to be picked up cheap in the market, are required. At one point, however, popularly elected bodies must not only inspect, but through their officials undertake the work of discipline. The pauper wastrels are committed to their care, and in many cases it must be owned the result is disheartening. Too often, so far from being braced up, they are unnerved and demoralised.

Very often the weak administration of the Poor Law can be traced to socialistic theories. A man has the right to work—this is the argument—and the State has found no work for him! Therefore he has the right to maintenance, and if a right to maintenance, why not to comfort? When hundreds of experiments originating in this theory have all ended in failure, have resulted in nothing but demoralisation, we may hope that the nation will nerve itself for an effort, as it did in 1834; and since it must intervene

at the base of society, intervene in support of a healthy individualism, and preach by its system of administration the doctrine, often treated as rank heresy now, that under difficult circumstances resourcefulness and courage, and not their opposites, are the qualities which citizens are expected to show.

It ought not to be difficult for us to avoid the mistakes into which our forefathers fell. For the most striking thing in the present age is that, owing to the vast increase of knowledge, man has his fate in his own hands to a far greater extent than ever before. It is known now far better than in previous times how to develop the potentialities of each child that is born. Not only is the importance of environment understood, but to a great extent what the environment should be. And the next generation, there is reason to believe, will gain further light.

But besides environment there is a question of no less importance, heredity, to be considered. A good environment will make the best of the material put at its disposal. But what if the material be bad? It is no wonder that serious thinkers are beginning to talk of Eugenics, for they realise how important it is that each generation should spring from the stronger, better, and abler of that which preceded it. Though our present system, or absence of system, is not so bad in its actual working as might appear, yet if the principles which Mr. Francis Galton has expounded and disseminated could be put into practice, if the best mated with the best, there would result an almost incalculable improvement. But for this, as for all far-reaching reforms, not only knowledge is requisite, but character. In former ages man's instincts and the great stringency of the struggle for existence saved the race from degeneracy :

there was vice, but natural selection wiped out the evil consequences. New knowledge has now been gained, and a nation has the power to ruin itself and practically to commit suicide; or, on the other hand, to raise itself to a higher level. A nation might thus raise itself, but the motive power must come from individuals. They must bring it about that the right spirit pervades the community, for laws and regulations cannot effect the reforms that are wanted. The laws themselves must be the expression of an idea that, formed in the brains of a few individuals, spreads till it permeates the inert mass of the nation. When the majority have been indoctrinated, then it may take shape as a law. It must first originate in a minority who require no stimulation, a minority tempered like that small band of Samurai whose spirit seems to have thrilled the whole Japanese people.

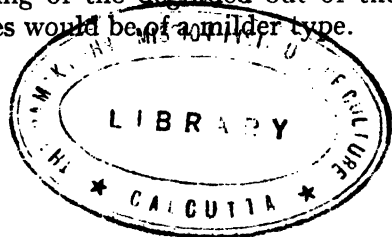
But all experience tells us that enthusiasm cannot do everything. On some characters preaching and example make less impression than raindrops falling upon granite. There are not a few in all strata, and a great many in the very lowest stratum of society, who are dead to the higher motives for activity. For such men there is no hope if life is made soft. If the struggle for existence, except in so far as it depends on disease, were abolished—and this is the essence of socialism—the life of the nation would be sapped. Throughout the social organism, if it is to be healthy, there must be a struggle to rise to a higher life, materially, morally, or intellectually higher. There must be a struggle at least not to sink to a lower social level, to a harder, less cultured environment. There must be competition, and behind competition the struggle for existence. Such a struggle may seem hard and cruel, but, if it ceased, then, to save society from

complete dissolution, there would be needed, as I have already pointed out, a discipline that would be infinitely more cruel. The spirit of altruism *that*, some socialists think, would, if their system were once established, pervade the whole nation, could never be counted on as a motive strong enough to carry the average man through his daily work. Moreover, this altruism has to be miraculously developed in the have-nots who are to begin by plundering the haves, and also in the haves, whom thoroughgoing socialists speak of as mere appropriators of public property,—in fact, as embodiments of selfishness.

If we wish to steer our course well in the future, we must see what has been the guiding principle in the past. The history of the human race has been the history of effort, of struggle against difficulties, hardships, and enemies. Socialism, which has been well called the philosophy of failure, means submission to difficulties. It preaches the helplessness of the individual and the omnipotence of the State. The citizens are to be, each of them, so much concrete weakness and helplessness, but somehow the State, though composed of such men and women, is to be, beyond all experience of Governments, strenuous and capable. Such a system has only to be tried in its complete form and it must prove at once a disastrous failure. The danger lies in the extension of what is often mistaken for an initial stage of real socialism, the system of taking from the industrious a great part of the wealth which competition and individualism have enabled them to earn, and of distributing it among those who, mainly through want of industry and resourcefulness, have failed. It must be owned that there are failures, and not a few, which cannot be set down to any defect in the individual. This is

a weak point in our social system, and the only way, to remedy it is to make competition more free, to prevent stagnation, to enable the poor, if they have steadiness of character, and still more if they have character and ability combined, to rise to a higher class. At the same time, by discouraging excessive accumulations of wealth, it should be made easier for the failures of the wealthier strata of society to find their level. Thus, where individualism fails, the remedy is to be sought in a more thorough individualism. The struggle for existence, when it works as it should, is a stern yet kindly task-master, for the ultimate result of its driving and coercing is vigour and happiness. It is only when there is a breakdown, when the individual is crushed before he can enter the lists, that the system becomes cruel. We must strive to make it possible for all and each in a genuine sense to compete.

Since this is its aim and object, it is evident that individualism, rightly interpreted, does not interfere with true philanthropy. True philanthropy strives to strengthen the weak and enable them to play their part manfully. To give a man doles, and so deprive him of his motive for work, and sap his power of will, is but cruel kindness. If the wealthy were less ready to scatter their money, and more ready to devote time, thought and work to the lifting of the degraded out of the mire, our social diseases would be of a milder type.



INDEX

*(Heavy type means that the reference is comparatively important ;
an * means that a definition is given)*

- Agriculture (*see* Manor, Black Death, Village Community), 97, 106, 110
 Alcoholism (*see* Drink), 125, 126
 Altruism, 303, 321
 American Colonies, Our, 276
 Animal Associations, 1-9
 Arnold, Sir E., 18
 Aryans, The, 24, 25, 78
 Avebury, Lord, 195
- Bequest, Freedom of, 41
 Bernstein, E., 241, 244
 Besant, Mrs., 188
 Birth Rate, 123, 132
 Black Death, 86-94
 Blanc, Louis, 287
 Bosanquet, Mrs. H., 118
 Brinkley, Captain, 279
- Capital, 13, 207, **254-261**, 265, 270, 280
 — Accumulations of, 219-231
 Capitalist Class, 241-253
 — The Village, 44
 Caste, 37
 Cattle, 40
 Centralisation, 79, 85, 181, 182
 Chastity, 28
 Chicago, 162
 Children, Society for Prevention of Cruelty to, 316, 334
 Chinese, The, 25, 26, 27, 51
 Chippenham, 66-68
 Clan, The, 23, 36*, 84
 Coal, 110
 Cockburn, Rev. G., 26
- Collectivism (*see* Municipality, Socialism, State, Village), 15*
 Competition (*see* State, Struggle for Existence), 302, 336
 Confucius, 27
 County Council (*see* Municipality), 317
 Cox, Mr. Harold, 185
 Crawley, Mr. E., 323
 Cunningham, Mr. W., 92, 102, 112, 168, 262
- Daniell, Rev. J. J., 66
 Darwin (*see* Struggle for Existence, Natural Selection), 8
 Death Rate, **122-124**, 132
 Degeneration, 123, **135-138**, **333**
 Dill, Samuel, 138
 Disease, 125
 Drink, 108, **125**, **126**, 326
- Education, 268, **313-318**, 332
 Egyptians, Ancient, 23
 Elimination, 121-127
 Elizabeth, Queen, 102
 Ely, Prof. R. T., 233
 Enclosures, 106, **113**
 Environment, Importance of, 335
 Esquimaux, The, 41, 139
- Factory Acts, 152-158
 — System, 60, 114
 Family, The, 3, 5, 9, 10, 14, **19-34**, 163, 204, 297, 305-308, 334
 — The Joint, 30-34
 — The Patriarchal, 21, 22, 29, 30

- Fatalism, 327
 Fay, E. A., 129
 Feudal System, 275
 France, Anatole, 285

 Galton, Francis, 139, 335
 Gambling, 326
 Giffen, Sir Robert, 227-229, 248, 255
 Gomme, Mr. G. L., 35, 64, 65, 83, 84
 Green, J. R., 82

 Hall, Mr. P. F., 133
 Hearn, Dr. W. E., 29, 31
 Heaton, Mr. Henniker, 187
 Henry VIII, 100
 Heredity, 335
 Hill, Mr. C. Chatterton, 132, 310, 311
 Hill, Miss Octavia, 195
 Hindus, The (*see* India), 25
 Horner, Henry, 107
 Hutchins, Miss B. L., 153

 Illegitimacy, 122
 Income Tax, 228
 India (*see* Family, Individualism, Moneylending, Property, Village Community), 35-55, 65, 149
 Individualism, 12, 14*, 48, 49, 54, 55, 309, 330-338
 Instinct, 20
 Intellect, 127
 Interest, 202-208, 258-261
 Inventions, 110
 Inventor, Claims of the, 262
 Irish Labourers, 160

 Japan, 279, 336
 Jerusalem, Siege of, 274

 Kipling, R., 301
 Kropotkin, Prince, 61

 Labour (*see* Salaries, Wages), 228, 255, 256, 266
 — Class, 241-253, 266, 280
 — Fluidity of, 114, 331
 — Laws (*see* Poor Law, Trade Unions), 91, 92, 115
 Lamarckism, 130

 Land, 11, 38-40, 237-240, 254, 255
 — Laws, Irish, 112, 238
 Latimer, Bishop, 99
 Loane, Miss M., 327

 Macaulay, Lord, 158
 Machinery (*see* Factory), 110, 113, 226, 263, 265
 Mahan, Captain, 93
 Maine, Sir Henry, 31, 38, 41, 45, 46, 49, 149
 Malthus, 89
 Manor, The, 64-85, 87-94, 97, 98, 110, 111
 Markets, Origin of, 46
 Marriage, 5, 20, 23, 297, 307
 — Age of, 122, 123
 Marx, Karl, 254-258
 Matriarchal Family, 23
 Medicines, Quack, 333
 Mercier, Dr., 133
 Metayer System, 39*
 Middlemen, 262
 Mir, The Russian, 56-63
 Monasteries and Poor Relief, 101
 Money, Mr. Chiozza, 242
 Moneylending (*see* Interest), 50, 58, 202-208
 Monogamy (*see* Marriage), 5, 20
 Montague, Mr. F. C., 116
 Moral Qualities, 127
 Morris, William, 301, 314
 Municipalities, 190, 191, 194-201
 — Indebtedness of, 215, 230

 Nairs, The, 22
 National Debts, 209-214, 230
 — Workshops, 286
 Natural Selection (*see* Struggle for Existence), 120-143
 Navy League, 183
 Neolithic Peoples, 36
 Non-producers, 199, 205, 206, 219-225, 231

 Oman, Mr. T. C., 38
 Organiser, The, 266
 Owen, Mr. A. K., 290
 — Robert, 162, 288-290
 Oxen, 40, 62, 68

- Pammixis, 128, 129
 Patriotism, 81, 201, 312
 Pauperism (*see* Poor Law), 100-104, 218, 231
 Pearson, Prof. Karl, 124, 133, 300, 308, 318
 Peel, Sir Robert, 153
 Penates, 21
 Phear, Sir J. B., 39, 44, 78
 Physique, 332
 Play, 19
 Police, 79, 148
 Polygamy, 5, 20
 Poor Law, 100-103, **115-118**, 152, 231, 293, 329, 334
 Poplar, 290-292
 Porter's *Progress of the Nation*, 210
 Post Office, 183-188
 Poverty (*see* Poor Law), 326-332
 Press, The, 188
 Prices, 89, 90, 97, 108, 249
 Producers, Indirect, **226**, 239
 Production of Commodities, 186, 191, 196, 218, 283
 Property, 38-43, 134, 254-256
 Quail, Mr. Jesse, 242
 Railway Finance, 217
 Railways, 229, 233
 Regrating, 255*, 261
 Reid, Dr. Archdall, 125
 Relief Works, 331
 Religion, 25-27, 297, 318-324
 Rent, 69, 90
 Roads, 106, 107
 Rogers, Prof. Thorold, 73, 90, 94, 103
 Roman Empire, 137
 Rowntree, Mr. G. K. S., 326
 Ruskin, John, 260
 Russia, *see* Family, Mir
 alaries (*see* Wages), 228
 aleeby, Dr., 316
 aving, 13, 42, **202-208**, 242-244
 cott, Sir Walter, 83
 eebohm, Mr. F., 40, 69
 erfdom, 57, 80-83
 ervants, Domestic, 223-225
 Settlement, Act of, 114
 Sexual Selection, 133
 Sheep-farming, 97-99
 Shopkeepers, **247**, 261
 "Sitting Dharna," 149
 Smith, Adam, 107, 123, 211
 — Mr. R. Bosworth, 51
 Social Organism, 120-143
 Socialism, 15*
 — New and Old, 295-324
 — in Practice, 285-294
 — Theory of, 254-270
 Societies among Animals, 1-9
 — among Men, 9-14
 Somerset House, 192
 Spencer, Herbert, 14, 159, 180, 195, 255, 298
 Standard Oil, 233, 236
 Starcke, Prof., 22
 State, Bigness of, 312
 — Business Capacity of the, 178-193
 — as Educator, 313-317
 — The, and the Family, 334
 — Manufacture by, 286
 — Power of the, 271-284
 — Regulation of Industry by the, 144-164
 States, European, 278
 Strikes, 249
 Stepniak, 32, 59, 61
 Struggle for Existence (*see* Natural Selection), **1-9**, 54, 55, **121-127**, 139, 166, 252, 270, 336
 Stubbs, Prof., 99
 Suicide, 311
 Taxation, 330
 Thrift (*see* Saving, Interest), 13, 42, 297
 Todas, The, 24
 Touaregs, The, 23
 Trade Guilds, 167
 Trade-Unionism, 13, **165-178**, 242, 244, 293
 Tribe, The, 11, 36*
 Trusts, 232-236
 Tudor Period, The, 95-104
 Tyler, Wat, 92, 103, 175
 Vinogradoff, P., 71

342 DARWINISM AND MODERN SOCIALISM

von Maurer, G. L., 73

Wages, 89, 228

Wallace, Sir Mackenzie, 57

Walpole, Sir R., 107

Warner, Mr. G. J., 82, 88,
92

War Office, The, 181

Wealth, Source of, 255

Wealth, National, 227

Webb, Mr. Sidney, 169, 189-191

286, 293, 300, 319

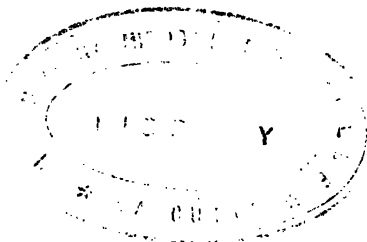
Wells, Mr. H. G., 307

Welsh Customs, 40

Yeomen, 99, 112

Young, Arthur, 72, 107, 108

111, 112



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